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STATE DOCUMENTS

September 18, 1970

MEMORANDUM

TO: Commission on Executive Reorganization

FROM: Commission Staff

SUBJECT: Report on Livestock

The attached report contains a summary of the organization and operations of the following agencies:

--Livestock Commission

--Livestock Sanitary Board

--Advisory Committee on Predatory Animal Control

--Wool Laboratory Advisory Committee

--Agriculture & Livestock Council

Each of the above agencies has been sent a copy of the respective summary reviews which are incorporated in the "present organization" section of this report. The agencies have been asked to review the summaries for factual accuracy and completeness and return the same with any additions or corrections.

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PRESENT ORGANIZATION

LIVESTOCK COMMISSION

Organization

General

Section 46-101, R.C.M. 1947 creates the Livestock Commission and sets forth qualifications and terms of members. Composed of six members, two members of the Commission are appointed every two years by the Governor with the consent of the Senate to six-year terms. Appointees must be residents of Montana and owners of cattle, sheep or horses in the state. Under Section 46-102, R.C.M. 1947, Commission members receive actual expenses for attendance at meetings. Although there is no statutory requirement for Commission meetings, according to the executive officer at least three meetings are held each year: the meeting in March is considered the Commission's annual meeting and the other two meetings are held at the same time as (1) the Montana Stockgrowers' Association Convention and (2) the Montana Woolgrowers' Association Convention. Additional meetings may also be held--there were six Commission meetings in both fiscal year 1967 and fiscal year 1968.

In Section 46-104, R.C.M. 1947 the Livestock Commission is authorized to employ its own counsel, who is to aid and cooperate with County Attorneys in their preparation and prosecution of court actions concerned with livestock.

In accord with Section 46-104, R.C.M. 1947 the purpose of the Livestock Commission is to exercise general supervision over and protect the livestock interests of the state from theft and disease, and to recommend legislation that will foster the industry. Following is an outline of the activities engaged in by the agency in order to reduce the incidence of stolen livestock and to facilitate the conduct of investigations of livestock thefts and losses.

Functions in Brief

The Commission has and exercises almost total control over movement and sale of livestock to prevent theft. One of the most important means of this control is the licensing and supervision of all livestock markets in the state. The Livestock Commission is responsible for issuing livestock market licenses, which are called certificates of public convenience and necessity and must be obtained before a market can begin operation. (Requirements which must be met before a license is issued are detailed later, under the "Commission Activities" section of this report.)

After a market has been legally established the Commission is authorized and required to supervise its operation. In order to effectuate its responsibility to regulate and supervise livestock markets, the Livestock Commission has established livestock market regulations. The Commission requires that each market keep complete and accurate records of all animals sold through the market, including description of the animal, brand(s) on the animal, name of person selling or offering for sale, date of sale, and name of person to whom sold (Livestock Market Regulation II and Section 46-901, R.C.M. 1947). Each livestock market must maintain a "custodial account" in which is deposited all proceeds from sales at the market for disbursement to the owners of the cattle sold; records and accounts must be maintained at the livestock market to disclose the handling of the custodial accounts (Livestock Market Regulation VII). Business records delineating such matters as ownership and management of the market must also be maintained, and each livestock market is required to file its annual financial report with the Livestock Commission (Livestock Market Regulations II and V). In addition, the Commission, its agents and employees have the right of access at all times to the accounts and records of the livestock markets (Section 46-913, R.C.M. 1947). Bonding of each livestock market is required by law (Section 46-912, R.C.M. 1947) and the bond must be approved by the Livestock Commission. Periodically the Commission reviews the bonding of markets, and it has authority after hearing to increase or decrease the amount of bond required (Livestock Market Regulation VI). All changes in livestock markets are made subject to the approval of the Livestock Commission; markets must immediately notify the Commission of any changes in ownership, management, control, tariff charges, operation or location of any livestock market (Livestock Market Regulation IV).

Brands denote ownership of animals and in order to guard against unlawful use, all brands used in the state must be recorded in the office of the general recorder of marks and brands (which is the central office of the Livestock Commission). Records of marks and brands, their placement, and the animals on which they may be used are maintained by the Commission's administrative staff. In addition, under Sections 52-319 through 52-323, R.C.M. 1947, the fiscal section of the administrative staff files notices of secured interest and satisfaction on livestock and lists these notices on the official records of marks and brands and in the offices of the stock inspectors stationed at livestock markets. A livestock market is not liable to any secured party for the proceeds of livestock sold through the market by a debtor unless a notice of security agreement is properly filed (Section 52-319, R.C.M. 1947).

The agency also fulfills a function which is strictly law enforcement, in order to prevent unlawful movement of cattle and horses for the prevention of theft. With the exceptions enumerated in Section 46-801(6), R.C.M. 1947, all cattle and horses must be inspected by state stock inspectors or deputies before removal from any county within the state. Market consignment permits and transportation permits may be issued before removal, however. When such permits are issued, inspection is not required until the livestock

reaches the market or shipping point. Cattle may also be shipped direct by railroad subject to brand inspection at destination points designated by the Livestock Commission. (In addition, under Section 46-801[5], R.C.M. 1947, inspectors may issue travel permits for periods of up to one year for horses and show cattle being transported from county to county within the state by the owner for his personal use or business if there is no change in ownership.)

There are 16 livestock markets in Montana which are licensed by the Livestock Commission. At each of these livestock markets, the state maintains a resident livestock inspector and an office for him, complete with a record of recorded livestock brands and marks in the state. By law (Section 46-801, R.C.M. 1947), inspection for marks and brands by a state stock inspector is required before stock originating in any Montana county or stock transported under a market consignment permit may be sold at a livestock market; a further legal restriction is that inspection for marks and brands by a state stock inspector and issuance of an inspection certificate for the purpose of removal is required before stock may be removed from the premises of a livestock market. If a question arises as to ownership, livestock may be held at the market for proof of ownership. The Livestock Commission maintains stock inspectors on a fee basis at two out-of-state markets located in Belle Fourche, South Dakota and Sioux City, Iowa.

By law (Section 46-503, R.C.M. 1947), it is the duty of County Sheriffs to inspect hides of slaughtered beef and veal. In lieu of this prescribed inspection, the Livestock Commission may authorize one of its employees to make live inspections and mark the hides of meat cattle at licensed slaughterhouses and thereupon issue certificates of inspection. (Such a practice is followed at the Billings packing plants.)

Hide dealers and buyers are annually licensed by the Livestock Commission under Section 46-1107, R.C.M. 1947; 25 licenses have been issued for 1970. General supervision of hide dealers and buyers is required in order that evidence of ownership of hides or the animals from which hides are removed be established and maintained. For the same purpose, it is necessary that dead or fallen animal records be executed when dead or fallen animals are received by renderers.

The above precautions are not unwarranted. In 1969-70, reports of lost or stolen livestock amounted to approximately $300,000 in value. This compares with some other states which report losses over $1,000,000. During the year, stock inspectors recovered 1,450 cattle and 131 horses, and 15,000 cattle and horses were held at livestock markets for proof of ownership. The value of these cattle and horses combined amounted to approximately $1,500,000.

Commission Activities

It is possible to distinguish between the functions performed by the Livestock Commission and those performed by its staff. In the following discussion, the activities of the Commission are considered. Staff activities will be discussed under "Description of Programs."

Sections 46-908 and 46-909, R.C.M. 1947 read as follows:

No person shall hereafter operate a livestock market in the state of Montana without first having obtained from the commission, under the provisions of this act, a certificate declaring that public convenience and necessity require such operation. Any person making application for such certificate shall do so in writing, verified by the applicant, and specifying the following matters:

(1) The name and address of the applicant, and the names and addresses of its officers, if any;

(2) The place where applicant proposes to operate a livestock market;

(3) A complete and detailed description of the property and facilities proposed to be used in connection with such livestock market;

(4) The commissions or charges applicant proposes to impose on the owners of livestock for services rendered to them by applicant in the operation of such livestock market;

(5) A detailed statement showing the assets and liabilities of applicant;

(6) The location of other livestock markets within a radius of two hundred (200) miles of the proposed livestock market, and the names and addresses of the operators thereof;

(7) A detailed statement of the facts upon which applicant relies showing public convenience and necessity for such livestock market, including the anticipated revenue from inspection fees that may be derived therefrom by the state of Montana;

(8) Such other or additional information as the commission may require;

(9) Such application shall be accompanied by a fee of one hundred dollars ($100.00), which shall also be considered the first annual fee if such application is granted; provided, however, that the annual fee shall be paid on the following first day of May and each year thereafter, as provided herein. (Section 46-908, R.C.M. 1947);

Upon the filing of such application, the commission shall fix a time and place for hearing thereon, which shall not be less than ten (10) days after such filing. The commission shall cause a copy of such application and notice of hearing thereon to be served by mail upon: (a) the operators of any other livestock markets that in the opinion of the commission might be affected by the granting of any such certificate; (b) the secretaries of the Montana stockgrowers association and the Montana woolgrowers association; (c) the secretary of the district livestock association, if any; and, (d) the secretary of the livestock association or associations, if any, at the place or within the vicinity of the proposed livestock market, if known to the commission; and, (e) upon any railroad company operating into or through any town or city in which the proposed livestock market will be located, at least ten (10) days before the date of hearing.

If, after hearing upon such application, the commission shall find from the evidence that public convenience and necessity require the authorization of the proposed livestock market, a certificate therefore shall be issued to the applicant. In determining whether or not public convenience and necessity require such livestock market, the commission shall give reasonable consideration to the service rendered by other existing livestock markets in the state and the effect upon them if the proposed livestock market is authorized, and shall give due consideration to the likelihood of the proposed service being permanent and continuous throughout twelve (12) months of the year; provided, however, that the commission shall not authorize the proposed livestock market unless it shall appear from the evidence submitted at the hearing that the minimum revenue derived by the state from inspection fees shall be equal to seventy-five per cent (75%) of the cost to the state in maintaining a resident livestock inspector and an office for him at such proposed livestock market, and the cost of maintaining at such office of a sufficient record of the recorded livestock brands and marks in the state; provided, however, that the commission may authorize the same if the operator of the proposed market shall by bond approved by the commission guarantee the payment of such minimum revenue. (Section 46-909, R.C.M. 1947).

In accord with Section 46-910, R.C.M. 1947, if after hearing it appears to the Commission that a licensed livestock market shall fail to provide the minimum revenue to the state for two successive years, the livestock market may be discontinued by order of the Commission. If a complaint is filed with the Livestock Commission after investigation of the actions of a licensee, the complaint is to be set for hearing by the Commission in accord with Section 46-916, R.C.M. 1947. Under livestock market regulations currently in effect, a hearing is required before any certificate transfer or other transfer or change in the operation of a licensed livestock market may take place. The Livestock Commission is also required by the livestock market regulations to conduct a hearing before any order is made to increase or decrease the amount of bond required in the operation of any licensed livestock market. At most, the Commission devotes 25 per cent of its time to hearings required by statute and by regulation established by the Commission. In its quasi-judicial role, the Commission may also revoke the license of any hide dealer or buyer on receipt of a certified copy of the judgment of his conviction for a hide law violation. (Section 46-1107.1, R.C.M. 1947).

The Livestock Commission is authorized in Sections 46-103, 46-104, 46-503, 46-802, 46-811, 46-907, 46-1101.2 and 46-1903, R.C.M. 1947 to adopt rules and regulations relating to livestock brands, hide inspection, livestock inspection, livestock markets and predatory animal control as well as to the government and conduct of the business of the Commission. Bylaws and rules of procedure have been established by the Commission; they were

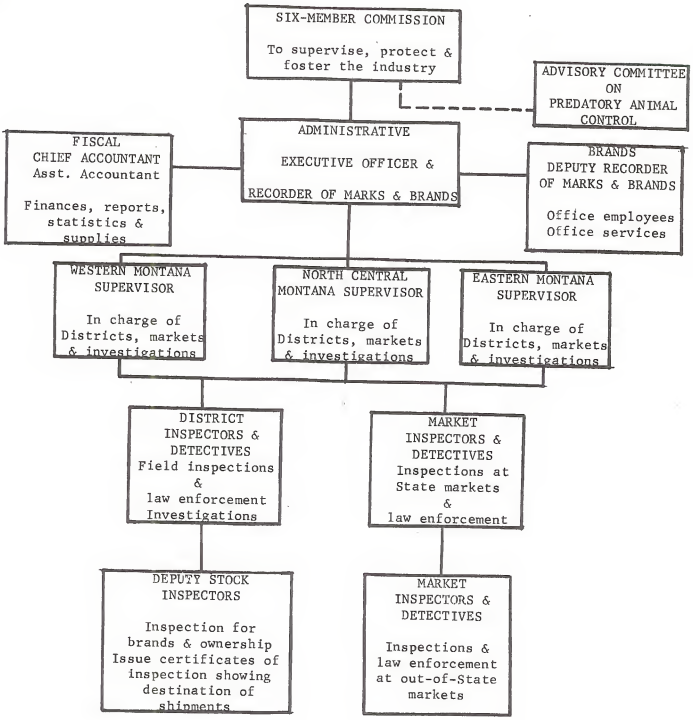
last amended in 1961. According to the executive officer, no more than eight per cent of the Commission's time is devoted to establishing and amending rules and regulations. The bulk of the Commission's time, then, is taken up with administrative matters. The provisions of Sections 46-103, 46-701, 46-704 and 46-705, R.C.M. 1947 vest in the Commission responsibility for personnel; fiscal responsibility is set forth in Section 46-105, R.C.M. 1947. In Sections 46-503, 46-802, 46-2408, 52-319 and 52-320, R.C.M. 1947, the Livestock Commission is directed to prescribe the size and design of identification tags and the form of hide inspection certificates; certificates of inspection; market consignment permits; transportation permits; and notices of security agreements, renewals, assignments and satisfactions. The Sections also authorize the Commission to require information additional to that prescribed by statute. In fact as well as by statute, the Commission is involved with administrative detail; during the past 1½ years, according to its minutes the Commission passed on claims and reviewed the budget, approved personnel changes and staff members' out-of-state trips, and established policy in regard to sick leave and vacations. Most of the Commission's time, however, is concerned with hearing and considering the executive officer's detailed reports on the progress of investigations under way and the status of cases in court. The executive officer estimates that each of these two categories consumes 1/3 of Commission time. Inspection work is also reviewed and operations at livestock markets discussed.

Under Section 46-103, R.C.M. 1947, the Commission appoints the secretary, who is the chief executive officer of the Livestock Commission and is also by statute (Sections 46-103 and 46-601, R.C.M. 1947) the general recorder of marks and brands. The central office of the Commission is located in the Livestock Building on the Capitol grounds in Helena; branch offices are maintained at the licensed livestock markets in the state.

The Agency performs its duties through the conduct of three programs: Administration and Enforcement, Predatory Animal Control, and Rabies Control. On the following page is the organizational chart furnished by the Livestock Commission; the chart denotes personnel organization rather than organization by program.

Note: The Livestock Commission is also authorized and directed to cooperate with the U.S. Department of the Interior in the control of noxious rodent pests in Title 3, Chapter 27, R.C.M. 1947. However, this program has not been operative on the state level for the past four years. Any rodent control programs undertaken in the state are now conducted by the Division of Wildlife Services of the Bureau of Sport Fisheries and Wildlife, U.S. Department of the Interior, at the request of Boards of County Commissioners (under Section 16-1175, R.C.M. 1947).

Organizational Chart: Livestock Commission


SIX-MEMBER COMMISSION
To supervise, protect & foster the industry
ADVISORY COMMITTEE ON PREDATORY ANIMAL CONTROL
ADMINISTRATIVE EXECUTIVE OFFICER & RECORDER OF MARKS & BRANDS
FISCAL
CHIEF ACCOUNTANT
Asst. Accountant
Finances, reports, statistics & supplies
BRANDS
DEPUTY RECORDER OF MARKS & BRANDS
Office employees
Office services
WESTERN MONTANA SUPERVISOR
In charge of Districts, markets & investigations
NORTH CENTRAL MONTANA SUPERVISOR
In charge of Districts, markets & investigations
EASTERN MONTANA SUPERVISOR
In charge of Districts, markets & investigations
DISTRICT INSPECTORS & DETECTIVES
Field inspections & law enforcement Investigations
MARKET INSPECTORS & DETECTIVES
Inspections at State markets & law enforcement
DEPUTY STOCK INSPECTORS
Inspection for brands & ownership
Issue certificates of inspection showing destination of shipments
MARKET INSPECTORS & DETECTIVES
Inspections & law enforcement at out-of-State markets

Funding and Personnel

During the 1967-69 biennium, expenditures of the Livestock Commission totaled $1,385,320. This figure is broken down in the following table by fiscal year and by object.

Expenditures, By Object, Livestock Commission, 1967-69*

	Fiscal Year 1968	Fiscal Year 1969
Personal Services	$ 439,869	$ 470,766
Operation	177,131	200,042
Capital: Equipment	2,840	3,083
Grants & Benefits	40,278	51,311
Totals	$ 660,118	$ 725,202

Biennial Total: $1,385,320

All grants and benefits were paid out of the Agency Fund: Stock Estray Account. Program expenditures for the 1967-69 biennium were as follows:

Expenditures, By Program, Livestock Commission, 1967-69

Administration and Enforcement	$1,196,358
Predatory Animal Control	180,000
Rabies Control	8,962
Total	$1,385,320

The appropriation to the Commission for the current biennium is $1,448,677; $10,000 was appropriated from the General Fund (for emergency rabies control during fiscal year 1970) and the appropriation from the Earmarked Revenue Fund: Livestock Commission Account is $1,438,677. The Livestock Commission also administers the funds deposited in the Agency Fund: Stock Estray Account to be held for two years subject to claim by the owners of livestock sold as estrays.

The Administration and Enforcement program administers funds deposited in the Earmarked Revenue Fund: Livestock Commission Account and in the Agency Fund: Stock Estray Account. The Predatory Animal Control program also is financed from the Earmarked Revenue Fund: Livestock Commission Account, and the Rabies Control program is financed from the General Fund.

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*All expenditure figures in this report for fiscal year 1968 were obtained from the Executive Budget, pp. 181-184; figures for fiscal year 1969 were obtained from the Budget Division, Department of Administration.

Total income to the Earmarked Revenue Fund: Livestock Commission Account and to the Agency Fund: Stock Estray Account during fiscal years 1967, 1968 and 1969 was as follows:

Fiscal Year	*Earmarked Revenue Fund: Livestock Commission Account	**Agency Fund: Stock Estray Account	Totals
1967	$573,217	$66,644	$639,861
1968	649,248	45,355	694,603
1969	646,470	53,835	700,305

Thus, with the exception of the Rabies Control program, the Livestock Commission is self-financed.

Sources of Earmarked Revenue Fund income are brand recording fees, livestock inspection fees, fees for market consignment or transportation permits, 50 per cent of fines for improper movement of cattle, fees for certificates to operate livestock markets, livestock market annual license fees, proceeds of sale of stray stock (transferred in from the Agency Fund), reimbursement for cost of hide supplies, hide dealers annual license fees, fees for notices of security agreements, a 3 mill levy on sheep and a 4½ mill levy on other livestock, and interest on investments. This income is utilized in the conduct of the Administration and Enforcement programs. In addition, income to the Earmarked Revenue Fund from a 4½ mill levy on sheep and a 1½ mill levy on other livestock, together with 5 per cent of collections from county license fees and proceeds from the sale of predatory animals, is used in the conduct of the Predatory Animal Control program. Income to the Agency Fund: Stock Estray Account is from proceeds from the sale of estrays and stolen livestock and hides.

Personnel of the agency currently numbers 64 (full-time equivalent); during the second year of the biennium, this number will be increased to 67 (F.T.E.). The executive officer has estimated that 85 per cent of staff time is devoted to enforcement activities, with only one per cent concerned with predatory animal control and rabies control; and the remaining 14 per cent is consumed in administration.

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*State of Montana, Livestock Commission Fiscal Year Report, 1966-67, pp. 16 and 32.
Ibid., 1967-1968, pp. 16 and 28.
Ibid., 1968-1969, pp. 10 and 13.

**Ibid., 1966-1967, p. 34
Ibid., 1967-1968, p. 31
Ibid., 1968-1969, p. 15

Description of Programs

Administration and Enforcement

General

The Administration and Enforcement program was established by administrative action to protect the livestock industry of the state from felonious brands and theft of stock.

Description

The Administration and Enforcement program fulfills the responsibilities of the Livestock Commission as outlined in the following chapters and sections of the Codes:

Title 46, Chapter 1, R.C.M. 1947: Livestock Industry - Regulation by Livestock Commission
Title 46, Chapter 6, R.C.M. 1947: Brands - Recording - Venting - Livestock Mortgages
Title 46, Chapter 7, R.C.M. 1947: Inspectors and Detectives
Title 46, Chapter 8, R.C.M. 1947: Inspection of Livestock Before Removal from County
Title 46, Chapter 9, R.C.M. 1947: Livestock Markets - Inspection & Quarantine - License & Bonding
Title 46, Chapter 10, R.C.M. 1947: Estrays - Disposal of
Title 46, Chapter 11, R.C.M. 1947: Hides of Slaughtered Cattle - Regulation - Hide Dealers' License
Title 46, Chapter 17, R.C.M. 1947: Animals Running at Large
Title 46, Chapter 24, R.C.M. 1947: Rendering or Disposal Plants - Licensing - Regulation (2407 through 2403)
Title 52, Chapter 3, R.C.M. 1947: Security Interests in Personal Property (319 through 323)
Title 72, Chapter 4, R.C.M. 1947: Liability of Railroads for Killing or Injuring Livestock
Title 84, Chapter 52, R.C.M. 1947: Livestock Taxation (5209 through 5215)
Title 93, Chapter 43, R.C.M. 1947: Attachment (4343 through 4347)
Title 94, Chapter 12, R.C.M. 1947: Cruelty to Animals

Sections 94-1813, 94-1814, 94-2704, 94-2704.1, 94-3504, 94-3514 through 94-3522, 94-3542, 94-3546, 94-3567 through 94-3569, 94-3577, 94-35-101, 94-35-116, 94-35-174, 94-35-179, 94-35-196, 94-35-200, 94-35-204 through 94-35-207, 94-35-237 through 94-35-240, R.C.M. 1947. (These sections enumerate crimes applicable to livestock, and provide penalties.)

The program is also incidentally concerned with Title 46, Chapters 5, 12, 14, 15, 16, 18, 20, 27 and 28, R.C.M. 1947, and with Sections 45-1106 and 16-1175, R.C.M. 1947, chapters and sections which are primarily concerned with counties and cities or other subdivisions of the state, and which outline the responsibilities of their officers.

Under this program, licenses for livestock markets (called certificates of public convenience and necessity) are issued upon Commission approval, and annually renewed; bonding is required of all livestock markets. Hide dealers and buyers are also licensed. Upon finding by the Commission of sufficient cause, the certificate of a livestock market may be cancelled or suspended (Section 46-915, R.C.M. 1947). General regulation and supervision of livestock markets is conducted in accord with formal regulations adopted by the Commission governing the operation of licensed livestock markets in Montana. Livestock marks and brands are recorded in the central office at Helena; written application for recording of a mark or brand is made to the secretary of the Livestock Commission in his capacity as general recorder of marks and brands, who designates the mark or brand to be used, its placement, and the animals on which it may be used (Section 46-604, R.C.M. 1947). Under Section 46-605, R.C.M. 1947, marks and brands must be re-recorded every ten years; 1971 is a re-recording year. The fiscal section is responsible for filing notices of secured interest on livestock (Sections 52-319 through 52-323, R.C.M. 1947) and for the financial administration of the agency. (Presently, there is duplication of filings of secured interest, assignments, renewals and satisfactions on livestock among county offices, the Office of the Secretary of State, and the Livestock Commission office. None of these offices, however, has a complete and comprehensive list. The secretary of the Livestock Commission has suggested that such a comprehensive listing might be valuable in that it would provide a quick, available and correct information reference.)

A levy on livestock is authorized in Section 84-5209, R.C.M. 1947, the purpose of which is to aid in payment of salaries and all expenses connected with the enforcement of the stock laws of the state. In accord with Section 84-5213, R.C.M. 1947, this tax levy is collected by the County Treasurers and annually transmitted to the state treasury, where it is deposited in the Earmarked Revenue Fund. An additional tax levy is authorized in Section 84-5214, R.C.M. 1947 under authority of Article XII, Section 9 of Montana's Constitution for the purpose of predatory animal control. Like the levy authorized in Section 84-5213, R.C.M. 1947, this levy is collected by County Treasurers and deposited in the Earmarked Revenue Fund.

Under the Enforcement phase of this program, cattle and horses are inspected for brands to assure rightful ownership before sale at livestock markets or before removal from any county in the state. Inspection before removal from a county includes examination of the animal and of all marks and brands in order to properly identify the animal and establish ownership (Section 46-802, R.C.M. 1947). If the stock inspector is satisfied that the applicant for the inspection is the owner or has lawful right to

possession of the animal, he issues a certificate of inspection in triplicate which specifies date of inspection, place of origin and destination of shipment, name and address of owner of animal or applicant for inspection, kind of animal inspected, and the marks and brands on the animal. One copy of the certificate of inspection is retained by the inspector, one is given to the owner or shipper of the animal, and one is filed by the inspector within five days with the secretary of the Livestock Commission. All livestock entering a market for sale must be checked in to the operator of the market at the time of delivery and a list of the livestock offered for sale must be furnished in triplicate showing the number, sex, and brand of all livestock offered for sale. The state stock inspector receives one copy of the list, one copy is placed on the gate of the pen in which the livestock is placed for inspection, and one copy is retained and filed by the livestock market. After sale, a copy of the purchase order, showing name(s) of consignor(s) and number of animals and their weight, must be delivered to the inspector before the animals purchased may be released. Transfers of ownership are shown on the purchase order as made after sale. Should a question arise respecting the ownership of any animal sold, the inspector may take possession of the animal, provided that he notifies the operator of the livestock market as well as the purchaser of the livestock (Section 46-903, R.C.M. 1947).

Market consignment permits and transportation permits may also be issued before removal of livestock from a county; at the time of issuance of these permits, inspection is not required. Market consignment permits are issued for consignment and direct delivery of livestock to a licensed livestock market located outside the county, and transportation permits are issued for direct delivery to a shipping point, likewise located in another county, where a livestock inspector is available and which is approved by the Livestock Commission. These permits are also issued in triplicate and in addition to the information required on certificates of inspection, include the name and address of the person transporting the animal if he is not the owner as well as a description of the vehicle to be used, including the license number. Because animals for which market consignment permits or transportation permits are issued are not inspected before reaching the livestock market or shipping point, the notation of date of inspection required on certificates of inspection is replaced on the permits by specifications of the date and time the permit is issued. Permits must be utilized within 36 hours after issuance; permits not used within the time limit must be returned to the issuing officer, thus releasing the permittee from his performance obligation. Any person in charge of cattle or horses being removed from any county must have in his possession the certificate of inspection, market consignment permit, or transportation permit issued him, and he must exhibit the certificate or permit on request of any Sheriff, deputy Sheriff, constable, highway patrolman, state stock inspector, or deputy state stock inspector (Section 46-801[4], R.C.M. 1947). Owners' (or shippers') market consignment permits and transportation permits must be delivered to the state stock inspector at the livestock market or shipping point where the animal is delivered. Finally, cattle may also be shipped direct by railroad subject to brand inspection at destination points designated by the Livestock Commission.

The Commission has designated the 16 livestock markets within the state and the market in Sioux City, Iowa, as acceptable destination points. (The Belle Fourche market is not included because it is not located on a railroad line.*) A shippers' tally in triplicate must be filed with the railroad agent at the time the cattle are loaded, who then immediately sends one copy to the state stock inspector at the destination shown on the tally, and the other copy to the office of the Livestock Commission within 24 hours after shipment is made. (Section 46-1008, R.C.M. 1947).

By law (Section 46-503, R.C.M. 1947), it is the duty of County Sheriffs to inspect hides of beef and veal slaughtered for use by other than the owner of the animal; the Sheriff's office must keep records of these inspections. Certificates of inspection are issued on forms provided by the county but prescribed by the Livestock Commission which specify the name of the butcher or meat peddler (or other person conducting the slaughter), the place of business, serial number of inspection of the hide, brand(s) on the hide, date of inspection, and the place where inspection was made. The officer making the inspection forwards one copy of the inspection certificate to the secretary of the Livestock Commission and one to the County Clerk and Recorder. When ownership of the carcass and hide presented for inspection is claimed on a bill of sale, the officer making the inspection must demand the original bill of sale, which is then attached to the certificate sent to the County Clerk and Recorder. The Livestock Commission may also authorize one of its employees to make live inspections of meat cattle at licensed slaughterhouses in lieu of inspection by County Sheriffs. Any officer authorized to inspect hides may enter butcher shops and slaughterhouses, etc., to determine whether the hide inspection laws are being violated (Section 46-510, R.C.M. 1947). They have authority to seize and sell meat which is held in violation of these hide inspection laws, which were formulated to guard against the sale of stolen meat. Anyone slaughtering cattle for his own use must also have the hide(s) inspected by an authorized officer and secure a certificate of inspection before selling, destroying or otherwise disposing of the hide(s) (Section 46-508, R.C.M. 1947).

To comply with the hide inspection laws enacted in order to establish evidence of ownership of hides (or of the animals from which hides are removed), when an animal hide is sold, the seller must obtain a hide certificate from the hide dealer or buyer. In addition, the hide dealer or buyer affixes an identification tag to each hide when it is delivered (Section 46-1101.2, R.C.M. 1947). The information on the hide certificate includes the marks and brands on each hide and designates where the hide will be kept for 30 days following delivery. The certificate must be signed by the seller or his agent and by the hide dealer or buyer. The hide dealer or buyer must mail the original hide certificate to the Sheriff of the county in which the hide

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*Cattle shipped to Belle Fourche travel by truck and must be inspected for brands before removal from the county. A certificate of inspection is issued.

was purchased within five days and send a copy to the Livestock Commission; one copy is retained by the hide buyer and one by the seller. On reasonable notice, any Sheriff or deputy Sheriff, state stock inspector or deputy stock inspector may inspect the buyer's or the seller's hide certificate copy.

When a licensed renderer receives a dead or fallen animal (defined in Section 3-2407, R.C.M. 1947 as the carcass or dead body of livestock the continuing existence of which would create a public nuisance and constitute a hazard to public health, which is not killed for human consumption and is to be salvaged for the purpose of obtaining the hide and grease or fat), he must present to the person(s) requesting removal the prescribed dead or fallen animal record for execution in quadruplicate. The original copy of the dead or fallen animal record is to accompany the carcass and hide until the hide is officially inspected for marks and brands; the duplicate is to be retained by the renderer for the time required by the Livestock Commission; the triplicate is to be filed within seven days of its execution in the office of the County Clerk and Recorder of the county from which the dead animal is removed; and the quadruplicate is to be retained by the person(s) requesting the removal (Section 46-2409, R.C.M. 1947). When the dead or fallen animal record is being executed, the renderer who receives the animal must tag the animal with one of his serially-numbered metal identification tags and also record the number of the tag in the space provided on the dead or fallen animal record (Sections 46-2408 and 46-2410, R.C.M. 1947). The renderer must produce the dead or fallen animal record on demand of any livestock inspector, Sheriff, undersheriff, deputy Sheriff or other peace officer (Section 46-2411, R.C.M. 1947). When the renderer disposes of the hides from dead or fallen animals, the hides must be inspected for marks and brands; the person making the inspection must complete the original dead or fallen animal record which accompanies the hide by inserting in the space provided his inspector's tag number. He then must file the completed original dead or fallen animal record in the office of the County Clerk and Recorder together with the duplicate which had previously been filed (Section 46-2412, R.C.M. 1947).

In 1969, a total of 2,592,787 cattle were inspected in local (county) and market inspections, while 45,949 horses were inspected. The focus of the entire program is law enforcement. Under Section 46-701, R.C.M. 1947, stock inspectors and detectives must take and subscribe the official oath required by law, and they have like powers and authority as are conferred by law on deputy Sheriffs. It is the duty and authority of these officers to charge and arrest anyone who violates the stock laws of the state (Section 46-703, R.C.M. 1947). Stock inspectors are also authorized to seize and kill, or retain for investigation relative to ownership, animals upon which brands have been fraudulently changed, or which upon the basis of other evidence appear to have been stolen (Sections 46-706 and 46-803, R.C.M. 1947). Beef and veal hides may also be seized and held for determination of ownership or sale (Section 46-1114, R.C.M. 1947), and a licensed renderer or his agent transporting dead or fallen animals believed to have been obtained

by commission of a felony may be taken into custody for inspection and investigation (Section 42-2411, R.C.M. 1947). To aid in enforcement, trucks carrying cattle, horses and sheep on the highways are stopped to assure that the movement of livestock has been authorized. When livestock thefts or losses are discovered or reported, investigation is made.

The Livestock Commission is authorized to take possession of estrays (unbranded animals whose ownership cannot be determined or branded animals whose owner cannot be located) and offer them for sale in accord with the provisions of Title 46, Chapter 10, R.C.M. 1947. Under Section 46-918, R.C.M. 1947, proceeds from the sale of livestock whose ownership is subject to question are held at livestock markets for a reasonable time to permit the consignor to establish ownership. While most sales do receive clearance during this period, proceeds from sales of animals to which claims have not been established are deposited in the Agency Fund: Stock Estray Account upon expiration of the time limit. Under the provisions of Section 46-1006, R.C.M. 1947, the Livestock Commission then designates the publications in which descriptions of the estrays sold are published. Approximately 25 per cent of the market inspector's time, 10 per cent of the district inspector's time and 10 per cent of deputy stock inspector's time is concerned with estrays.

The enforcement activities of the agency are conducted in conjunction with the county law enforcement agencies. When litigation is required, it is initiated at the county level by the County Attorney. The attorney for the Livestock Commission cooperates with County Attorneys in prosecutions. The Livestock Commission is involved in an average of 50 court cases a year. Section 46-902, R.C.M. 1947 authorizes entry by County Sheriffs at livestock markets to conduct inspections as to ownership and to issue inspection certificates. Sheriffs and deputy Sheriffs are authorized to issue market consignment permits and transportation permits in accord with Sections 46-802 and 46-804, R.C.M. 1947, and these county officers are also specifically authorized to aid in the Enforcement program in Sections 46-801(4), 46-806, 46-901, 46-1013, 46-1101.1, 46-1101.2 and 46-2411, R.C.M. 1947. Section 46-709, R.C.M. 1947 provides that at the request of the Livestock Commission, Boards of County Commissioners must designate inspection points within their respective counties and provide suitable facilities for unloading and loading livestock at these points.

Title 46, Chapters 27 and 28, R.C.M. 1947 authorize the creation of county livestock protective committees and of district cattle protective committees (the cattle protective district is comprised of two or more counties or a part of one county). Appointed by the County Commissioners, the committees are required to advise, assist and cooperate with the Livestock Commission as well as the Boards of County Commissioners, Sheriffs and other public officials and officers (Sections 46-2703, 46-2803, and 46-2808, R.C.M. 1947). Under Sections 46-2705, 46-2803 and 46-2808, R.C.M. 1947, the committees may recommend to the County Commissioners the appointment of a

special livestock deputy, who must meet the approval of the Livestock Commission and of the County Sheriff. The duties of the special deputy stock inspectors are to assist the Livestock Commission and the Sheriff ". . . in the enforcement of hide and brand inspection laws, and laws governing the movement and sale of livestock and the treatment and prevention of livestock diseases, laws pertaining to the apprehension of livestock rustlers and the prevention of rustling, and such other laws as may exist of particular concern to the livestock industry. . . " (Section 46-2705, R.C.M. 1947). Four county livestock protective committees are currently in existence in Montana. In accord with Section 46-2705, R.C.M. 1947, the four county deputy stock inspectors are annually commissioned by the Livestock Commission, and work under the supervision of the Commission's district inspectors. They are paid from county funds.

The State Highway Patrol in Section 31-110, R.C.M. 1947 is authorized to stop trucks to determine ownership of livestock or livestock products in transport. Operating under this authority, and under Sections 46-801[4] and 46-806[d], R.C.M. 1947, the Patrol stops trucks and checks for required inspection certificates.

The Livestock Commission's 1967-1968 Fiscal Year Report states that:

> Twelve bulletins listing description and various other data on missing stock were circulated during the year. These were sent to the District and Market Inspectors, Sheriffs, the Highway Patrol, the F.B.I. and to Customs Officers and Inspection Agencies of the adjoining states."*

The Livestock Commission has a close relationship with the Packers and Stockyards Division of the Consumer and Marketing Service, U.S.D.A. in the field of livestock markets. Under the Packers and Stockyards Act of 1921 (7 U.S.C. 201 through 217a and 221 through 229) and regulations promulgated by the Secretary of Agriculture under that Act, the Packers and Stockyards Division supervises livestock markets which are engaged in interstate commerce. In Title 46, Chapter 9, R.C.M. 1947, the Livestock Commission is made reponsible for the regulation and licensing of livestock markets in the state. Despite this dual jurisdiction, the Packers and Stockyards Division recognizes Montana's authority to exercise her police power at livestock markets located within Montana. In fact, the Packers and Stockyards Division depends on the Livestock Commission for enforcement of the federal Act in Montana through information exchange. Under the Packers and Stockyards Act, the Livestock Commission must file as a market agency with the Packers and Stockyards Division in order to conduct brand inspection at markets subject to federal supervision. By statute (Section 46-912, R.C.M. 1947), bonding of livestock markets is required by the state; bonding is also authorized under the Packers and Stockyards Act. Custodial accounts are

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*State of Montana, Livestock Commission Fiscal Year Report, 1967-1968, p. 5

required by federal regulation; regulations established by the Livestock Commission likewise provide state supervision of custodial accounts. In accord with a memorandum of understanding between the Livestock Commission and the U.S.D.A., the two agencies cooperate and exchange information concerning livestock markets. If the state licenses a livestock market, the Commission notifies the Packers and Stockyards Division in order that the proper bonds might be executed. The Packers and Stockyards Division supervises custodial accounts in order to assure that all applicable money is placed in this account; the Livestock Commission assures that the proper owner of the money is reimbursed. Information is exchanged between the two agencies on changes in name, address, bonding, management, control or ownership of livestock markets. (In accord with a memorandum of agreement effectuated in 1965 between the Montana Department of Agriculture and the Consumer & Marketing Service, USDA, the Division of Weights & Measures within the Department of Agriculture tests livestock scales which are subject to regulation under the Packers & Stockyards Act, and reports the results to the Packers & Stockyards Division of the Consumer & Marketing Service.)

Montana has no statute regulating the operation of livestock dealers (persons engaged in the business of buying or selling livestock without necessarily being connected with a livestock market agency). The Packers and Stockyards Division of the Consumer & Marketing Service does, however, register and bond these dealers. Although the Livestock Commission notifies the Packers & Stockyards Division of buyers operating within the state, the Commission believes that livestock dealers are insufficiently regulated under the present situation. The Commission believes it might better protect the livestock industry if bonding were required of livestock dealers by Montana law, and if the Commission were authorized to license and thereby regulate livestock dealers within the state.

Funding and Personnel

In fiscal years 1968 and 1969, $579,274 and $617,084, respectively, were expended for this program. Of these figures, the executive officer and chief accountant estimate that 25 per cent was attributable to Administration, with the remainder expended for Enforcement. Financing for this program is from the Earmarked Revenue Fund: Livestock Commission Account and from the Agency Fund: Stock Estray Account. Following is a table of income to the Earmarked Revenue Fund received during the last three fiscal years, which is utilized in the conduct of the Administration and Enforcement program.

Income to Livestock Commission
Earmarked Revenue Fund, 1967, 1968, 1969

Source of Revenue:*	Fiscal Year** 1967	Fiscal Year*** 1968	Fiscal Year*** 1969
Brand recording fees..... (Section 46-609, R.C.M. 1947)*****	$ 20,120	$ 19,660	$ 19,529
Livestock inspection fees..... (Section 46-804, R.C.M. 1947)	7,459	7,836	9,234
Market consignment or transportation permits..... (Section 46-804, R.C.M. 1947)	277,461	279,648	282,760
Fifty per cent of fines for improper movement of cattle..... (Section 46-806, R.C.M. 1947)	408	521	202
Certificate to operate livestock markets..... (Section 46-908, R.C.M. 1947)	100	200	200
Livestock market annual license fee (Section 46-911, R.C.M. 1947)	1,500	1,600	1,600
Proceeds of sale of stray stock (transferred from Agency Fund). (Sections 46-904 and 46-1006, R.C.M. 1947)		2,492	
Reimbursement for cost of hide supplies..... (Section 46-1101.2, R.C.M. 1947)	1,130	413	863
Hide dealers' annual license fees.. (Section 46-1107, R.C.M. 1947)	120	80	125
Notices of security agreements..... (Section 52-322, R.C.M. 1947)	6,754	6,573	6,153
Three mill levy on sheep, four and one-half mill levy on other livestock (taxable value)..... (Section 84-5211, R.C.M. 1947)	185,462	215,512	219,030
Interest on investments.....	1,709	1,397	847
Miscellaneous.....	14,558	14,070	500
TOTALS	$516,781	$550,002	$541,043

*State of Montana, Inventory of Treasury Fund Accounts, Department of Administration, Budget Division, February 10, 1970.

**State of Montana, Livestock Commission Fiscal Year Report, 1966-67, pp. 17& 18.

***State of Montana, Livestock Commission Fiscal Year Report, 1967-68, pp. 17 and 18.

****State of Montana, Livestock Commission Fiscal Year Report, 1968-69, p.10.

*****"...providing, however, that not more than ten per cent (10%) of the net re-recording fees after all expenses of re-recording are paid, shall be expended in any one year except in case of an emergency delared by the governor." (Section 46-609, R.C.M. 1947).

After deducting the expenses of collecting, holding, advertising and selling estrays, proceeds from their sale is deposited in the Agency Fund: Stock Estray Account to be held for two years subject to claim by owners of the animals. Proceeds from the sale of stolen livestock and hides are also deposited in the Agency Fund (Sections 46-803 and 46-903, R.C.M. 1947). Almost all the estray funds are claimed, but after the two-year period has expired, the unclaimed estray funds are transferred to the Earmarked Revenue Fund: Livestock Commission Account at the request of the Livestock Commission (Section 46-1006, R.C.M. 1947). (The policy of the Livestock Commission has been to honor claims established after expiration of the two-year period. Payments are then made from the Earmarked Revenue Fund: Livestock Commission Account.)* Income to the Agency Fund: Stock Estray Account collected in accord with Sections 46-803, 46-903, 46-904, 46-918, 46-1004, 46-1011, and 46-1114, R.C.M. 1947 during the past three fiscal years was as follows:

Fiscal Year 1967	$ 66,644**
Fiscal Year 1968	45,355***
Fiscal Year 1969	53,835****

According to the executive officer, approximately 14 per cent of the time of the agency's personnel is concerned with administration, and 85 per cent with enforcement. At present, the agency employs 64 full-time equivalent employees; this number will be increased to 67 F.T.E. in fiscal year 1971. Ten employees, including the executive officer, work in the central administrative office. There are three area supervisors who are charged with overseeing the districts and markets in their areas and with investigation work. Five (budgeted for six) district inspectors and detectives conduct field inspections and are responsible for investigation and law enforcement activities; these men are also commissioned by the Department of the Interior and thereby have authority on Indian reservations in the state. Sixteen market inspectors, three of whom also serve as district inspectors and detectives, together with 19 full-time and 9 F.T.E. (to be increased to 11 F.T.E.) part-time assistant market inspectors, conduct inspections at livestock markets in the state and engage in law enforcement activities. There are two out-of-state market inspectors, who work on a fee basis and are responsible for inspections and law enforcement activities at livestock markets in Belle Fourche, South Dakota and Sioux City, Iowa. In addition, 27 individuals are commissioned as inspectors and detectives without pay; 4 are employees of the county livestock protective committees, 7 are employees

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*State of Montana, Livestock Commission Fiscal Year Report, 1967-68, p. 12.

**State of Montana, Livestock Commission Fiscal Year Report, 1966-67, p. 34.

***State of Montana, Livestock Commission Fiscal Year Report, 1967-68, p. 31.

****State of Montana, Livestock Commission Fiscal Year Report, 1968-69, p. 15.

of the Bureau of Indian Affairs, 5 are employees of the Wyoming Stockgrowers Association who work along the Montana-Wyoming border, and the remainder are private individuals such as ranchers or ranch employees. Approximately 320 bonded deputy stock inspectors are also commissioned on a fee basis; their only authority is to conduct inspections under the supervision of the district inspectors and detectives. Of the 320 bonded deputy stock inspectors, approximately 55 are Sheriffs and their deputies.

Predatory Animal Control

General. The Predatory Animal Control program was established under authority of Section 46-1903, R.C.M. 1947 to protect the livestock industry of the state from depredation of wild predatory animals.

Description. "The destruction, extermination and control of . . . wild animals predatory in nature and causing, or capable of causing the killing, destruction, maiming or injury of domestic livestock of all species, and of domestic poultry of all varieties, or depredations thereon" is vested in the Livestock Commission in Section 46-1903(a), R.C.M. 1947. Under this section, the Commission has the primary responsibility for formulating and conducting practical programs to fulfill this duty and is authorized to adopt standing rules and regulations concerning hunting, trapping and poisoning operations and payment of bounties. (The bounty law, Sections 46-1906 through 46-1915, R.C.M. 1947, is not presently being enforced.) Section 26-104(6), R.C.M. 1947 authorizes the Fish and Game Commission to expend Fish and Game funds for the extermination or eradication of predatory animals that destroy fish, game, or fur-bearing animals, or game or non-game birds.

The Advisory Committee on Predatory Animal Control is created in Section 46-1903(b), R.C.M. 1947. Appointed by the Governor, the Committee is composed of five members with one representative of each of the following organizations:

(1) the Montana Woolgrowers' Association,
(2) the Montana Stockgrowers' Association,
(3) the Montana Federated Wildlife Clubs,
(4) the Montana County Commissioners' Association.

The fifth member is the director of the Fish and Game Department, and the secretary of the Livestock Commission is ex-officio secretary of the Advisory Committee. Under the statute, the Committee is to consult with and advise the Livestock Commission, the Fish and Game Commission, and county and local predatory animal control organizations concerning their predatory animal control functions and expenditures. It is also responsible for the development and formulation of plans for effective predatory animal extermination and controls throughout the state. In practice, funds for the cooperative program are made available from four principal sources: county contributions, Livestock Commission funds, Fish and Game Department funds, and federal funds. Local and state funds are made available by order of the County

Commissioners (authorized in Title 46, Chapter 21, R.C.M. 1947), the Livestock Commission, and the Fish and Game Commission. Recently, the Fish and Game Commission has contributed $40,000 annually to the program, while the Livestock Commission authorizes approximately $90,000 per fiscal year for the program. Thus, when the Advisory Committee meets, the members are aware of the funds available for utilization in predatory animal control. The Advisory Committee meets at least twice each year, and reviews the program plans and budget drawn up by the state supervisor of the Division of Wildlife Services, Bureau of Sport Fisheries and Wildlife, U.S. Department of the Interior. The Advisory Committee makes recommendations as to the conduct of the program, and advises the contributing agencies on need for funds. Although it is Bureau personnel who conduct the program, the Livestock Commission allocates the funds to be used in the program and delineates the projects for which the funds may be used. In addition, the secretary of the Livestock Commission maintains close surveillance of the projects which are conducted. The actual conduct of the program is effected by Bureau of Sport Fisheries and Wildlife employees. (Similar programs are conducted by the Bureau in most of the other Western states.)

Funding and Personnel. During the 1967-69 biennium, $180,000 was expended by the Livestock Commission in the conduct of this program. This amount will be contributed to the program during this biennium as well. The Bureau of Sports Fisheries & Wildlife periodically prepares claims for each of the agencies and governmental bodies contributing funds, and the Bureau is then reimbursed. The program is financed from the Earmarked Revenue Fund: Livestock Commission Account. Income to the Earmarked Revenue Fund received during the last three fiscal years, which is utilized in the conduct of the Predatory Animal Control program, is as follows:

Source of Revenue:*	Fiscal Year** 1967	Fiscal Year*** 1968	Fiscal Year**** 1969
4¾ mill levy on sheep (taxable value) 1½ mill levy on other livestock (taxable value)..... (Section 84-5214, R.C.M. 1947)	$ 54,724	$ 97,903	$102,588
5 per cent of collections of county license fees..... (Section 46-1901, R.C.M. 1947)	1,483	1,343	1,443
Proceeds from sale of fur of predatory animals..... (Section 46-1904, R.C.M. 1947)	227	----	1,396
TOTALS	$ 56,434	$ 99,246	$105,427

*State of Montana, Inventory of Treasury Fund Accounts, Department of Administration, Budget Division, February 10, 1970

**State of Montana, Livestock Commission Fiscal Year Report, 1966-1967, p.32.

***State of Montana, Livestock Commission Fiscal Year Report, 1967-1968, p. 28.

****State of Montana, Livestock Commission Fiscal Year Report, 1968-1969, p. 13.

The mill levy authorized in Section 84-5214, R.C.M. 1947 is separate and distinct from the levy authorized in Sections 84-5209 and 84-5211, R.C.M. 1947 for the payment of salaries and expenses connected with enforcement of the stock laws of the state. This additional tax levy is authorized under authority of Article XII, Section 9 of Montana's Constitution for the purpose of predatory animal control.

The staff of the Livestock Commission consumes less than 1 per cent of its time on this program. It is the personnel of the U.S. Bureau of Sport Fisheries and Wildlife who conduct the program. The Commission itself, however, devotes approximately 5 per cent of its time to predatory animal control. Because the conduct of this program is questioned by wildlife and conservation groups in the state, the Commission consumes much of its time concerned with predatory animal control explaining the program.

Rabies Control

General. The Rabies Control program was established in accord with legislative appropriations for emergency rabies control in 1967 (Ex HB 10) and 1969 (Ex HB 4) to control rabies outbreaks in rodents, scavengers and predatory animals, thereby protecting human life, domestic livestock, and game animals.

Description. Like the Predatory Animal Control program, the Rabies Control program is conducted by the Division of Wildlife Services of the Bureau of Sport Fisheries and Wildlife, U.S. Department of the Interior. The Livestock Sanitary Board, the Department of Health, the Fish and Game Department and county officials are also concerned with the program. Suspected rabid animals are tested by the Livestock Sanitary Board Diagnostic Laboratory in Bozeman. The state veterinarian and chief deputy state veterinarian of the Livestock Sanitary Board and the executive officer of the Board of Health submit requests for control work to the Livestock Commission if the Livestock Sanitary Board and/or the Department of Health determine that there is a need for rabies suppression work. Together with the Fish and Game Department and the U.S. Bureau of Sport Fisheries and Wildlife, the Livestock Commission investigates the areas where work is requested and, considering recommendations of the Fish and Game Department, determines the extent of control necessary and directs the expenditure of funds appropriated to the Commission for rabies control.* At the request of county officials and the Livestock Commission, Bureau of Sports Fisheries and Wildlife personnel then conduct the suppression program.

Funding and Personnel. During the 1967-69 biennium, $8,962 was expended for rabies control. The 1967-69 appropriation was $25,000; for the 1969-71 biennium this appropriation was cut to $10,000. The program is financed from the General Fund.

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*Bureau of Sport Fisheries and Wildlife, Division of Wildlife Services, Annual Report, Fiscal Year 1968; Montana, p. 4.

The staff of the Livestock Commission consumes less than 1 per cent of its time on this program. It is the personnel of the U.S. Bureau of Sport Fisheries and Wildlife who conduct the program. The 6-member Livestock Commission devotes approximately 2 per cent of its time to rabies control at present; this percentage was larger a few years ago when the incidence of rabid animals was greater.

Relations With Other Agencies

As outlined in the program descriptions, the Livestock Commission has cooperative relationships with county officials (especially County Sheriffs and County Attorneys); the Livestock Sanitary Board; the Department of Health; the Fish and Game Department; the Highway Patrol; the Packers and Stockyards Division of the Consumer and Marketing Service, USDA; and the Division of Wildlife Services of the Bureau of Sport Fisheries and Wildlife, U.S. Department of the Interior.

The Livestock Commission cooperates in tracing diseased animals and in enforcing quarantines imposed by the Livestock Sanitary Board.

Under Section 46-914, R.C.M. 1947, the Livestock Sanitary Board may adopt rules and regulations relating to sanitary conditions of livestock markets. Thus, while the Livestock Commission is responsible for general regulation and supervision of livestock markets, the Livestock Sanitary Board concerns itself with the sanitary condition of the markets.

Brand inspection certificates yield data on cattle movement utilized in the Agricultural Statistics program presently conducted under the jurisdiction of the Department of Agriculture.

Section 82-2901, R.C.M. 1947 provides that the executive officer of the Livestock Commission is a member of the Agriculture and Livestock Council. However, this council has been inoperative for several years.

In 1969, the legislature provided that one member of the Montana Law Enforcement Academy Advisory Board be a stock inspector or detective appointed by the executive officer of the Livestock Commission. Since the establishment of the Academy, supervisory personnel and district and market inspectors employed by the Livestock Commission have attended its sessions.

Most, if not all, of the district inspectors are members of the Sheriff and Peace Officers Association.

The Livestock Commission is a member of the International Livestock Brand Conference, an organization composed of groups which are concerned with brands and interstate and intercountry theft of livestock. Montana is also a member of the 5-State Conference, which is a regional group similar to the International Livestock Brand Conference.

PRESENT ORGANIZATION

LIVESTOCK SANITARY BOARD

Organization

Statutory authority for the Livestock Sanitary Board is found in Section 46-201, R.C.M. 1947, which provides that the Livestock Commission, composed of six members appointed by the Governor to six-year terms, is ex-officio the Livestock Sanitary Board.

The Livestock Commission, ex-officio Livestock Sanitary Board, is the successor of the territorial Board of Stock Commissioners created in 1885 and the Board of Sheep Commissioners created in 1897. It would seem that the focus of the Board of Sheep Commissioners was centered more sharply upon disease control than was that of the Board of Stock Commissioners; the act creating the Board of Sheep Commissioners (Laws of Montana 1897, SB#100, p. 99) discusses disease control among sheep whereas the law creating the Board of Stock Commissioners placed more emphasis on law enforcement and prevention of theft. Laws of Montana 1907, Chapter 152 created the first Livestock Sanitary Board, composed of three ex-officio members: the President of the Board of Stock Commissioners, the President of the Board of Sheep Commissioners, and the President of the State Board of Health. In Laws of Montana 1917, Chapter 51, the Board of Stock Commissioners and the Board of Sheep Commissioners were consolidated into the present Livestock Commission; and in that year the composition of the Livestock Sanitary Board was changed to include, in addition to the President of the newly-created Livestock Commission and the President of the State Board of Health, the State Veterinary Surgeon (Laws of Montana 1917, Chapter 157). In 1921, the composition of the Livestock Sanitary Board was again changed, making the members of the Livestock Commission ex-officio the Livestock Sanitary Board (Laws of Montana 1921, Chapter 262); since then, its composition has remained unchanged.

The primary purpose of the Livestock Sanitary Board is to protect and promote the livestock industry by controlling and eradicating livestock and poultry diseases. Livestock disease control also serves to protect public health.

The chairman of the Livestock Commission is chairman of the Livestock Sanitary Board. Meetings of the Board are held on call of the chairman or executive officer, or any three members. In practice, meetings are held an average of four or five times a year. Meetings normally last two days, although three and four day meetings have been held.

Formal hearings required by law (Section 46-2403, 46-2404, 46-2405, 46-2505, 46-2510, 46-2606, 46-2607 and 46-2608, R.C.M. 1947) for revocation of licenses or to restrain operations are held once or twice a year and consume approximately 2 per cent of Board time. (Under these Sections, a duly authorized agent of

the Livestock Sanitary Board also may conduct the required hearings.) The Board devotes 25 per cent of its time to adoption, review and revision of regulations provided for in Sections 46-208, 46-209, 46-211, 46-402, 46-410, 46-914, 46-2402, 46-2501, 46-2505, 46-2603 and 46-2604, R.C.M. 1947 which govern the industry and serve as guidelines to agency personnel in their enforcement activities. In addition, approximately 13 per cent of Board time is concerned with administrative guidelines governing matters internal to the agency (such as sick leave policy). Rules for the government of the Board's own deliberations have been established and were last acted upon in March of 1957.

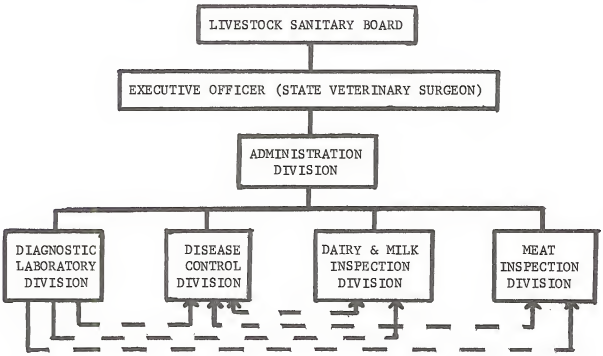
To comply with the statutes, a large portion of Board time is taken up with administration. Under Section 46-208, R.C.M. 1947, the selection, removal and compensation of personnel come before the Board. Section 46-204, R.C.M. 1947 provides that all official acts of the executive officer are subject to review by the Board. Thus, the Board approves certification or recertification of counties as modified certified brucellosis areas; it reviews and approves indemnity payments and informational bulletins distributed to industry by the agency in order to maintain industry awareness of applicable trends and regulations; out-of-state trips are approved and the budget is reviewed and adopted. Such review of administrative detail is quite perfunctory, however; according to the executive officer, the Board vests primary responsibility and discretion in him and does not interfere with administrative detail. Rather, the Board serves as a policy-making body and, in order to effectuate this function, must be kept fully informed of the activities of the agency. Each of the Divisions submits monthly status reports to the Board members and much of the Board's meeting time is devoted to review and discussion of Division activities, often culminating in establishment of informal program direction as well as regulations. Approximately 60 per cent of Board time is taken up with this review of the activities of the agency.

Section 46-201, R.C.M. 1947 provides that the members of the Livestock Commission shall receive no compensation for acting on the Livestock Sanitary Board; however, members do receive travel and expense payments. During fiscal year 1969, a total of $4,498 was expended by the agency for this item. Because regular meetings of the Livestock Sanitary Board are preceded or followed by meetings of the Livestock Commission, the expenses of the members for meetings are shared equally by the two agencies when the meetings are of equal length. When members perform services related only to one of the agencies, however, that agency pays the expenses.

Under Section 46-203, R.C.M. 1947, the Livestock Sanitary Board appoints the chief executive officer who acts as the State Veterinary Surgeon. The appointee must be a graduate veterinarian licensed to practice veterinary medicine in Montana. The principal office of the agency is located in the Livestock Building on the Capitol grounds in Helena. There are five divisions within the agency: Administration, Diagnostic Laboratory, Disease Control, Dairy & Milk Inspection, and Meat Inspection. The Dairy & Milk Inspection and Meat Inspection programs are concerned solely with protection of public health. The Disease Control Division seeks to foster Montana's livestock industry by controlling infectious and contagious animal diseases; in fulfilling this goal, it also protects public health. The Diagnostic Laboratory aids the Disease Control Division in providing livestock disease control, and the Dairy & Milk Inspection and Meat Inspection Divisions in assuring a safe milk and meat supply. Thus, the Livestock Sanitary Board functions both to aid the industry and to protect

the consumer. The Administration Division correlates and supervises the other four Divisions. Below is an organizational chart of the Livestock Sanitary Board.

Organizational Chart: Livestock Sanitary Board



As the organizational chart indicates, the Administration Division is actively involved in, and coordinates the activities of, each of the other four Divisions. Likewise, these four Divisions are closely interrelated. The broken lines on the chart indicate the interrelationships between the Divisions.

The Diagnostic Laboratory exists to support the functions of the other three Divisions. Its responsibility to diagnose animal diseases by laboratory analysis aids the Disease Control Division in its work; it also assists that Division through aid in determining methods of disease prevention and control. Samples of meat, meat-food products, milk and milk products collected by employees of the Dairy & Milk Inspection Division and the Meat Inspection Division are submitted to the Diagnostic Laboratory, which then conducts the required bacteriological and chemical analyses and tests for these two Divisions.

The Disease Control Division has reciprocal relationships with the Dairy & Milk Inspection Division and the Meat Inspection Division. Mastitis disease control is provided as a service to the Dairy & Milk Inspection Division; likewise, this Division aids the Meat Inspection Division in assuring that diseased or contaminated meat and meat products are not sold for human consumption. Similarly, when employees of the Dairy & Milk Inspection and Meat Inspection Divisions become aware of possible disease outbreaks among animals as they conduct their regular inspection duties (including ante-mortem and post-mortem findings during meat inspection), they notify the Disease Control Division.

The Adminstration Division, together with the Division heads and secretaries of the Disease Control, Dairy & Milk Inspection and Meat Inspection Divisions, is located in the agency's principal office in the Livestock Building in Helena. Additional Division locations are:

Diagnostic Laboratory - - - - - - - - - - - - - - - - - Bozeman,

District Livestock Disease Control Headquarters - - - - Missoula,
Billings (Big Timber), Glendive, Helena

(Livestock Disease Control Assignments at Livestock Auction Markets in Kalispell, Missoula, Hamilton, Dillon, Butte, Billings, Great Falls, Shelby, Glasgow, Havre, Sidney, Glendive, Miles City, Lewistown)

Dairy & Milk Inspection Headquarters - - - - - - - - - Bozeman,
Polson, Great Falls, Helena

District Meat Inspection Headquarters - - - - - - - - - Missoula,
Great Falls, Butte, Havre, Billings

When legal counsel is needed, the office of the Attorney General is consulted.

Funding and Personnel

Expenditures for the 1967-69 biennium totaled $972,263, and may be categorized as follows*:

Expenditures, By Object, Livestock Sanitary Board, 1967-69

	Fiscal Year 1968	Fiscal Year 1969
Personal Services	$392,293	$399,321
Operation	71,793	70,540
Capital: Equipment	8,147	4,902
Grants & Benefits	10,025	15,242
Totals	$482,258	$490,005

Biennial Total: $972,263

Following is a breakdown of expenditures by division for the 1967-69 biennium.

*All expenditure figures in this report for fiscal year 1968 were obtained from the Executive Budget, pp. 186-191; figures for fiscal year 1969 were obtained from the Budget Office.

Expenditures, By Division, Livestock Sanitary Board, 1967-69

Administration	$128,598
Diagnostic Laboratory	236,101
Disease Control	230,222
Dairy & Milk Inspection	83,040
Meat Inspection	294,302
Total	$972,263

The appropriation for the current biennium is $1,413,737. Of this amount, $628,831 was appropriated from the General Fund; $526,106 from the Earmarked Revenue Fund: Livestock Sanitary Board Account; and $258,800 from the Federal & Private Revenue Fund: Livestock Sanitary Board Account.

Annual license fees provided for in Sections 46-232 (condensed, evaporated, or powdered milk factories; milk plants; dairies), 46-235 (slaughterhouses), 46-2401 (rendering or disposal plants), 46-2507 (artificial inseminators) and 46-2602, R.C.M. 1947 (garbage feeders) produce revenue which is deposited in the General Fund in accord with these statutes. Over the past six fiscal years, income from license fees was as follows:*

Fiscal Year 1964- - - - - - - -	-$2,529
Fiscal Year 1965- - - - - - - -	2,350
Fiscal Year 1966- - - - - - - -	2,669
Fiscal Year 1967- - - - - - - -	2,527
Fiscal Year 1968- - - - - - - -	2,509
Fiscal Year 1969- - - - - - - -	2,495

In addition, under Section 84-5211 and 84-5213, R.C.M. 1947, up to 1½ mills is collected by County Treasurers on the assessed valuation of all livestock in the state and transmitted to the State Treasurer, who credits the Earmarked Revenue Fund: Livestock Sanitary Board Account. An official opinion of the Attorney General has held that 4½ mills on the taxable value of livestock is equivalent to 1½ mills on the assessed value (25 Ops. Attorney Gen. 2 (1953)); in accord with this opinion, the maximum 4½ mill levy has been assessed on the taxable value of livestock since December of 1967. The levy, including the 1967 increase, produced $216,749 in fiscal year 1968 and $222,474 in fiscal year 1969.

Section 84-5211, R.C.M. 1947 provides that at the written request of the Livestock Sanitary Board, a separate account in the Earmarked Revenue Fund shall be created for use in livestock disease emergencies. Under this authority the Earmarked Revenue Fund: Livestock Sanitary Board Emergency Account was established and invested in U.S. government bonds. The account, totaling over $100,000, is kept in reserve to alleviate and control dangerous livestock disease outbreaks. Interest on the bonds is reinvested.

Under PL 90-201, the Wholesome Meat Act of 1967, federal funds are allocated to the state agency responsible for meat inspection to develop and administer mandatory statewide meat inspection standards at least equal to the

*State of Montana, Report of General Fund Revenue Sources, Dept. of Administration, Budget Division (October 22, 1969), p. 55.

standards established for federal meat inspection. The statute provides that federal funds are not to exceed 50 per cent of the cost of the cooperative program; in practice, state funds in Montana have been matched by federal funds on a 50-50 basis.

The staff of the Livestock Sanitary Board consists of 57½ employees (full-time equivalent). The Administration Division employs 5, the Diagnostic Laboratory 13, Disease Control Division 8, Dairy & Milk Inspection Division 5, and Meat Inspection Division 26½.

Description of Programs

Administration

General. The Division of Administration was established under the Livestock Sanitary Board by administrative action. Its purpose is to direct and coordinate all activities and programs of the Board.

Description. The Administration Division maintains sufficient personnel to accomplish the directives and administrative responsibilities of the Livestock Sanitary Board, including the correlation and supervision of the other four divisions. The Administration Division issues all licenses and permits after issuance has been approved by the appropriate division within the agency. During fiscal year 1968, 1,648 licenses and permits were issued, as shown in the table below.

LICENSES AND PERMITS ISSUED, ADMINISTRATION DIVISION, LIVESTOCK SANITARY BOARD, FISCAL YEAR 1968 *

Licenses

Artificial Inseminators	308
Dairies:	
Producer	392
Retail Raw	10
Garbage Feeding	11
Meat Depots	4
Meat Packing Houses	20
Milk Plants	26
Rendering Plants	12
Slaughterhouses:	
Poultry	5
Rabbit	4
Red Meat	66
Total Licenses Issued	858

*State of Montana, Annual Report of the State Veterinary Surgeon to the Livestock Sanitary Board, (July 1, 1967 through June 30, 1968), p. 5.

Permits

Milk Distributors	118
Poultry Shipping (Chicks and hatching eggs)	66
Semen for Artificial Insemination	606
Total Permits Issued	790
TOTAL LICENSES AND PERMITS ISSUED	1,648

The milk distributors permits and licenses for dairies, milk plants, meat depots, meat packing houses, rendering plants and slaughterhouses are approved by the Dairy & Milk Inspection and Meat Inspection Divisions only after inspection of the premises assures that all standards have been met. Annual renewals are issued routinely, but the Divisions inspect licensees throughout the year to assure that violations are remedied. Likewise, licenses for garbage feeding establishments are approved by the Disease Control Division only when requirements are met, and relicensing is routine. Thus, in essence the above permits and licenses serve to provide the Dairy & Milk Inspection, Meat Inspection, and Disease Control Divisions with ready indicators of the name and location of those Montana businesses over which they must exercise inspectional and regulatory jurisdiction. Artificial inseminators' licenses are initially approved following satisfactory performance on a written and practical examination; retesting is not required for license renewal. As outlined in the Disease Control program description, permits to import chicks and hatching eggs and to import semen for artificial insemination are approved upon written application.

Funding and Personnel. During the 1967-69 biennium, the expenditures of this Division accounted for 14 per cent and 13 per cent, respectively, of total Livestock Sanitary Board expenditures. The table below shows the Division expenditures for each of the fiscal years in the biennium.

Expenditures, By Object, Administration Division, Livestock Sanitary Board, 1967-69

	Fiscal Year 1968	Fiscal Year 1969
Personal Services	$39,425	$41,990
Operation	17,237	9,905
Capital: Equipment	26	15
Grants & Benefits	10,000	10,000
Totals	$66,688	$61,910

Biennial Total: $128,598

The $10,000 figure under "Grants & Benefits" represents a payment which is annually granted by formal action of the Livestock Sanitary Board to the Montana Veterinary Research Laboratory at Montana State University to aid in payment of the laboratory's expenses. Because the research work of the Laboratory aids the livestock industry, in 1929 the industry requested that a portion of the funds secured from the levy on livestock be utilized in such manner. Although originally, then, this money came from livestock taxes, the payment currently is being made from the General Fund appropriation. In 1969, the Legislature appropriated $10,400 from the General Fund to "veterinary research grant" for each fiscal year in the 1969-71 biennium. The $400 in excess

of the grant to the Montana Veterinary Research Laboratory is utilized in making indemnity payments for slaughtered livestock (discussed under "Disease Control" program description).

The Administration Division is financed by appropriation from the General Fund and from the Earmarked Revenue Fund: Livestock Sanitary Board Account.

There are five employees within this Division. Included are the executive officer, his secretary, a supply clerk, a records clerk, and the fiscal agent. Approximately 9 per cent of the total Livestock Sanitary Board employees are within the Administration Division.

Diagnostic Laboratory

General. The Diagnostic Laboratory exists to support the functions of the other three divisions. It was established under authority of Section 46-208(4), R.C.M. 1947 to provide livestock disease control and assurance of a safe meat and milk supply, thereby promoting the purposes of the Livestock Sanitary Board by advancing the livestock industry and concurrently protecting public health. In Laws of Montana 1959, Ch. 262, the Legislature on request of the Livestock Sanitary Board authorized construction of the Diagnostic Laboratory at Montana State University in Bozeman. Location on the campus at Bozeman, however, does not entail Montana State University supervision of the laboratory; the Diagnostic Laboratory is a Division of the Livestock Sanitary Board and is under the control of that agency.

Description. The Diagnostic Laboratory is responsible for diagnosis of diseases of cattle, horses, sheep, swine, and poultry. Rabies tests are conducted by the Laboratory, which also gives consideration to methods of disease prevention and control in fulfilling its function of supporting the activities of the Disease Control Division. The laboratory conducts bacteriological and chemical analyses and tests on samples of meat, meat-food products, milk, and milk products collected by employees of the Dairy & Milk Inspection Division and the Meat Inspection Division and intended for sale or consumption as human food. Below is an indication of the types of tests conducted by the Diagnostic Laboratory, from the 1968 Annual Report of the State Veterinary Surgeon to the Livestock Sanitary Board.

TESTS CONDUCTED BY DIAGNOSTIC LABORATORY,
LIVESTOCK SANITARY BOARD, FISCAL YEAR 1968*

TYPE OF TEST			NUMBER
Autopsies			917
Bacteriology and Chemical Tests on Buttermilk, Cottage Cheese, Cream and Milk (including Wisconsin Mastitis Tests):			
In Compliance	16,526		
Not in Compliance	1,284		
Total			17,810
Bacteriology, Pathology, Parasitology and Virology:			
Positive	2,561		
Negative	1,754		
Total			4,315
Chemical:			
Blood		552	
Drug Detection on Race Horses		492	
Meat		248	
Pesticide Residue		355	
Toxicology		389	
Water:			
Mineral content for livestock consumption	87		
Nitrate content	40		
Total		127	
Miscellaneous		8	
Total			2,171
Serology (field tests excluded)			72,390
SUB-TOTAL			97,603
PLUS:			
Serology Field Tests			22,495
Tests Performed by Other Laboratories:			
Pesticide Residue		135	
Serology (Equine Encephalitis)		20	
Total			155
TOTAL ALL TESTS			120,253

*Ibid., p. 10.

The Diagnostic Laboratory is located in the same building as the Montana Veterinary Research Laboratory, which is part of Montana State University at Bozeman. The Veterinary Research Laboratory staff provides consultation, advice and assistance when needed, particularly in the areas of parasitology and pathology.

During the summer months, the Diagnostic Laboratory conducts official drug detection tests on race horses for the Montana Horse Racing Commission.

Serology tests for Western Equine Encephalitis CF and St. Louis Equine Encephalities CF are conducted at Rocky Mountain Laboratory in Hamilton.

Positive results of milk tested for pesticide residue analysis by the Diagnostic Laboratory are subject to confirmation by the Food & Drug Administration Laboratory in Seattle. The U. S. Public Health Service Laboratory at Cincinnati, Ohio conducts a check testing program of Diagnostic Laboratory milk analyses. Comparative tests with the U. S. Department of Agriculture National Animal Disease Laboratory at Ames, Iowa are made annually on brucellosis serology. (Brucellosis tests are conducted in Montana by an employee of the U. S. Department of Agriculture; the Diagnostic Laboratory furnishes work space and laboratory equipment for this cooperative venture.)

Funding and Personnel. In fiscal year 1968, this Division accounted for 24 per cent of total Livestock Sanitary Board expenditures; in fiscal year 1969 the figure was 25 per cent. In the table below, the expenditures of the Division for these fiscal years are set forth.

Expenditures, By Object, Diagnostic Laboratory, Livestock Sanitary Board, 1967-69

	Fiscal Year 1968	Fiscal Year 1969
Personal Services	$ 85,695	$ 92,862
Operation	24,769	27,482
Capital: Equipment	3,390	1,903
Totals	$113,854	$122,247

Biennial Total: $236,101

Financing for this Division is from the General Fund and the Earmarked Revenue Fund: Livestock Sanitary Board Account.

The Diagnostic Laboratory Division consists of thirteen employees. Three employees - -the veterinarian in charge of the Division, his secretary, and one person in charge of receiving, shipping and maintenance - -are primarily concerned with administrative duties; the veterinarian in charge also conducts post mortems. The other veterinarian in the Division, the assistant in charge, is the diagnostician; milk testing and virology duties are assigned to two technicians; a bacteriologist and bacteriological medical technician constitute the bacteriology section; three employees work in the chemistry section; and two have media preparation duties in the laboratory "kitchen". Diagnostic Laboratory employees comprise 22 per cent of the total Livestock Sanitary Board staff.

Disease Control

General. The Disease Control Division was established in order to aid in the execution of powers granted the Livestock Sanitary Board in Section 46-208, R.C.M. 1947. Its purpose is to safeguard Montana's livestock industry (as well as public health) from infectious and contagious animal diseases. The Division administers Sections 46-208 through 46-231, R.C.M. 1947 as well as the following chapters within Title 46, R.C.M. 1947:

Title 46, Chapter 3, R.C.M. 1947: Tuberculin Regulation, Sale and Distribution
Title 46, Chapter 9, R.C.M. 1947: Livestock Markets- Inspection & Quarantine- License & Bonding
Title 46, Chapter 25, R.C.M. 1947: Artificial Insemination of Animals & Poultry
Title 46, Chapter 26, R.C.M. 1947: Regulation of Industry Treating or Feeding Garbage to Swine and Other Animals

It also has responsibility for Sections 94-3559, 94-3593, 94-3594, 94-35-172, 94-35-173, 94-35-189, 94-35-190, 94-35-191, 94-35-192, 94-35-193 and 94-35-194, R.C.M. 1947 although these sections are not utilized as much as are those within Title 46, R.C.M. 1947.* (These sections in Title 94, R.C.M. 1947 define misdemeanors, and provide penalties.)

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*In general, according to the head of the Disease Control Division, these sections are not often used, but they are definitely needed in case of serious disease outbreak. Serious disease remains a threat, and the threat has increased especially with rapid international transportation of animals and meat.

With reference to specific sections, the Division head notes:

> Section 94-3559, R.C.M. 1947 is perhaps unnecessary due to the existence of Section 46-237, R.C.M. 1947. However, Section 94-3559, R.C.M. 1947 authorizes a stronger enforcement position.
>
> Sections 94-3593 and 94-3594, R.C.M. 1947 are perhaps unnecessary because glanders has been eradicated in the United States and Western Europe. The provisions might be useful, however, should the disease be imported from some other nation.
>
> Section 94-35-172, R.C.M. 1947 has been largely superceded by the Wholesome Meat Act. The section does, however, provide the important precaution of inspection by a veterinarian.
>
> Sections 94-35-189, 94-35-190, 94-35-191, 94-35-192, 94-35-193, and 94-35-194, R.C.M. 1947 are indispensable in anticipation of control of serious "exotic" diseases imported from Europe and other nations.

Description. The Disease Control Division conducts tests and official inspections of animals to fulfill its responsibility of livestock and poultry disease prevention, control, and eradication. Private Montana veterinarians (deputized as resident deputy state veterinarians) submit their clinical disease reports to the Livestock Sanitary Board. Investigations of diseases such as brucellosis, scabies, shipping fever, tuberculosis, encephalitis, epididymitis, hog cholera, salmonella*, and rabies are conducted and the employees of the Division aid in diagnosis. When necessary, quarantine of livestock and poultry is imposed, and diseased livestock is slaughtered; under authority of Section 46-208(11), R.C.M. 1947, indemnity payments are made for property destroyed by order of the Board. Mastitis disease control is provided by this Division as a service to the Dairy & Milk Inspection Division. The Division conducts programs in which counties, upon meeting the required U. S. Department of Agriculture standards, are given certification attesting to virtual absence of a particular livestock disease. For example, if over a three year period of testing in a county the incidence of brucellosis in cattle is less than one per cent, that county is certified as a modified-certified brucellosis area. (In the future, the Division will change its method of certification to require higher standards and change the designation to certified brucellosis free areas.)

The Disease Control Division has a cooperative relationship with the Animal Health Division of the Agricultural Research Service, U. S. Department of Agriculture. Livestock disease control programs concerning such diseases as tuberculosis, brucellosis, hog cholera, and scabies are conducted with the cooperation of federal inspectors who assist in testing and disease investigation, and are authorized to declare quarantines. The U. S. Department of Agriculture also conducts epidemiological and laboratory training seminars on disease control which are attended by employees of the Division.

The Division provides for the safety of manufactured or refined foods for livestock through regulation, supervision and inspection, particularly in regard to sanitary conditions of garbage feeding establishments (where garbage is treated or fed to swine or other animals). Licensing of garbage feeding establishments is approved by the Division, and in accord with Sections 46-2606 and 46-2607, R.C.M. 1947, the Livestock Sanitary Board, after hearing, has power to restrain operation or revoke the license of garbage feeders. Garbage feeding establishment inspections are made with the cooperation of the U. S. Department of Agriculture. Lay employees of the U. S. Department of Agriculture make monthly inspections of the facilities and premises, and report violations to the Disease Control Division, which then exercises its enforcement function. Garbage feeding establishment inspections during fiscal year 1968 totaled 148.

The Division is charged with regulation of the practice of artificial insemination. Section 46-2506, R.C.M. 1947 provides that an applicant for a license shall be a graduate of a course in artificial insemination and sani-

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*Seventy-one diseases were reported in domestic animals during fiscal year 1968.

tation prescribed by the Livestock Sanitary Board (or any equivalent course). On behalf of the Livestock Sanitary Board, the Animal and Range Sciences Department of Montana State University holds periodic courses on artificial insemination and sanitation to assist individuals in qualifying for a license. Staff members at Montana State University, appointed as representatives of the Livestock Sanitary Board, also conduct licensing examinations; examination of applicants is both written and practical. Licenses to practice artificial insemination are approved by this Division, and under Section 46-2505, R.C.M. 1947, the Livestock Sanitary Board has power, after hearing, to revoke or refuse to renew a license. Out-of-state applicants for permits to import semen for artificial insemination and to import baby chicks and hatching eggs are automatically approved when all required certified information is deposited with the Division. (If a disease outbreak occurs, the Division determines the source and notifies the state concerned if the source is one of the out-of-state permittees.)

The Division is responsible for the control and safety of remedies and biological products used for treatment of animals. In executing this responsibility, the Division administers the statute on tuberculin regulation which provides that sale and distribution of tuberculin for animal use within the state must be conducted under authorization of the Livestock Sanitary Board.

The Division is responsible for the supervision and regulation of livestock markets. Enforcement of sanitary standards involves posting pens with placards giving notice that the pens are unfit for occupancy by livestock if sanitary standards are not met, and in some cases it is necessary to clean and disinfect the pens. Official inspections of animals for disease are conducted at livestock markets; following is the report of official animal inspections of the Division for fiscal year 1968.

REPORT OF OFFICIAL ANIMAL INSPECTIONS
CONDUCTED BY DISEASE CONTROL DIVISION,
LIVESTOCK SANITARY BOARD, FISCAL YEAR 1968*

SPECIES	NUMBER INSPECTED
Cattle	
Inspected for interstate shipment	784,949
Inspected at auction markets	961,704
Inspected for scabies	77,133
Backtagged	151,983
Bled for brucellosis	20,122
Tested for tuberculosis:	
Beef	11,451
Dairy	5,834
Miscellaneous inspections	4,850
Total Cattle	2,018,026
Horses	
Inspected for interstate shipment	2,509
Inspected at auction markets	13,048
Miscellaneous inspections	1,168
Total Horses	16,725
Sheep	
Inspected for interstate shipment	474,331
Inspected at auction markets	193,698
Miscellaneous inspections	51,754
Total Sheep	719,783
Swine	
Inspected for interstate shipment	392
Inspected at auction markets	154,851
Miscellaneous inspections	4,059
Total Swine	159,302
Poultry	
Inspected for interstate shipment	382
Miscellaneous inspections	47,775
Total Poultry	48,157
Dogs and Miscellaneous Animals	
Inspected for interstate shipment	3,205
Miscellaneous inspections	352
Total Dogs and Miscellaneous Animals	3.557
TOTAL OFFICIAL ANIMAL INSPECTIONS	2,965,550

*Annual Report, Op. cit., p. 40.

Funding and Personnel. This Division utilized 24 per cent and 23 per cent, respectively, of total Livestock Sanitary Board expenditures during fiscal years 1968 and 1969. Expenditure figures for each year in the 1967-69 biennium are indicated in the table below.

Expenditures, By Object, Disease Control Division, Livestock Sanitary Board, 1967-69

	Fiscal Year 1968	Fiscal Year 1969
Personal Services	$ 95,352	$ 95,577
Operation	16,587	12,708
Capital: Equipment	4,731	---
Grants & Benefits	25	5,242
Totals	$116,695	$113,527

Biennial Total: $230,222

The above designation "Grants & Benefits" refers to indemnity payments for slaughtered livestock. Although the language of Section 84-5211, R.C.M. 1947 would indicate that indemnity payments should be made from the Earmarked Revenue Fund, apparently under the authority of Section 46-220, R.C.M. 1947, the appropriation for indemnity payments is currently from the General Fund ($400 for each fiscal year in the 1969-71 biennium).

The Division is financed by appropriation from the General Fund and from the Earmarked Revenue Fund: Livestock Sanitary Board Account.

The head of this Division is also the chief deputy state veterinarian; this designation requires no additional duties, however, except in the absence of the state veterinarian. The Division also employs a secretary and, ideally, four district deputy state veterinarians for a total of six full-time employees. (Under the ideal organization of this Division, there would be four district headquarters at Missoula, Helena, Billings and Glendive (or Sidney), each headed by a district deputy state veterinarian. In fact, the eastern district deputy state veterinarian position is not filled and there are therefore only three district headquarters at present, with the district three headquarters (normally in Billings) currently located in Big Timber.) The district deputy state veterinarians are responsible for most of the field work of disease control, consisting of testing and investigations. A program of specialized livestock disease control training for each of the district deputy state veterinarians is also in a formative stage.

The district deputy state veterinarians coordinate the activities of private veterinarians designated as resident deputy state veterinarians. All private veterinary practitioners in Montana are deputized by the Livestock Sanitary Board. These veterinarians are on call to be assigned to aid in disease investigation, diagnosis and control, and in inspection of garbage feeding establishments. They receive compensation on an hourly basis. Included in this category are the 16 resident deputy state veterinarians who reside in the towns where livestock markets are located and are assigned livestock market inspectors. The total of the part-time work of private veterinarians averages out over the period of a year to the equivalent of approximately three full-time employees.

The Disease Control Division accounts for 15 per cent of total Livestock Sanitary Board employees.

Dairy & Milk Inspection

General. The Dairy & Milk Inspection Division was established to aid in the effectuation of Section 46-208(7), R.C.M. 1947. The Division also functions under Section 46-232, R.C.M. 1947. Its purpose is to protect human health and welfare by guarding against fluid milk-borne disease outbreaks and fraudulent products on the market.

Description. The Dairy & Milk Inspection Division is responsible for the supervision, inspection and control of the standards and sanitary conditions of all Grade A dairies and all milk plants offering milk or milk products for sale for human consumption. Section 46-232, R.C.M. 1947 provides for licensing by the Livestock Sanitary Board of:

(1) all dairies selling milk or cream for public consumption in the form in which it is originally produced and without having been converted into some manufactured product;

(2) condensed, evaporated or powdered milk plants;

(3) milk plants (where milk or cream, or both, is purchased or collected and prepared for distribution to the consumer in liquid form but is not produced at such place).

There are no condensed, evaporated or powdered milk plants in Montana, but dairy and milk plant licenses and permits for milk distributors are approved by this Division. The Division conducts two inspections a year of all Grade A dairies and at least four inspections a year of all milk plants. In this endeavor, the Division works closely with the U. S. Public Health Service. Of the 25 milk processing plants currently licensed, 21 are members of the Interstate Milk Shippers Association. To participate in interstate shipment of milk under agreements established by the Association, a milk plant and its producers must maintain a sanitation rating of 90 per cent or higher under standards set by the U. S. Public Health Service and adopted by the dairy industry. Every two years, the Division computes a rating score for each plant based upon the inspections made by Division personnel of that plant and its producers over the two-year period. Within that two-year period, a representative of the Public Health Service spot-checks each of the rated plants to determine the adequacy of the sanitation rating by the Livestock Sanitary Board. Milk plant equipment is also tested for efficiency by the Division, and milk and milk product samples are collected for analysis and testing conducted by the Diagnostic Laboratory (tuberculosis tests are conducted by the Disease Control Division). Included among these routine tests are those to detect pesticide residues.

The Division works closely with city and county health departments; if these local agencies do not have sufficient manpower to take milk and milk product samples for testing from wholesale and retail stores, restaurants, hotels, etc., the Division performs this service. If the samples do not meet the required standards, the Division has power to take the products off the market. Records of test results are maintained in the Division office. Following is a summary of official sanitary inspections and laboratory tests made during fiscal year 1968.

OFFICIAL INSPECTIONS CONDUCTED BY DAIRY & MILK INSPECTION DIVISION
AND
LABORATORY TESTS CONDUCTED BY DIAGNOSTIC LABORATORY,
LIVESTOCK SANITARY BOARD, FISCAL YEAR 1968*

OFFICIAL INSPECTIONS AND LABORATORY TESTS		NUMBER
Antibiotic detection tests		4,061
Bacterial counts		3,924
Bacterial identification		502
Brucella abortus ring test		8,180
Chemical Analyses:		
General chemical	1,663	
Wisconsin Mastitis Tests	1,595	
Total Chemical Analyses		3,258
Coliform tests		4,057
Dairy inspections		1,131
Milk plant inspections		106
Milk plant equipment tests		88
Pesticide residue analyses		355
Tuberculosis tests		5,834
TOTAL OFFICIAL INSPECTIONS AND LABORATORY TESTS		31,496

Samples are collected by the Dairy & Milk Inspection Division on which antibiotic detection tests, bacterial counts, bacterial identification, Brucella abortus ring tests, and pesticide residue analyses are run by the Diagnostic Laboratory; the chemical analyses and the coliform tests are conducted by the Diagnostic Laboratory; dairy inspections, milk plant inspections, and milk plant equipment tests are conducted by the Dairy & Milk Inspection Division; and tuberculosis tests are conducted by the Disease Control Division and the Diagnostic Laboratory - - field tests by the Disease Control Division and laboratory tests by the Diagnostic Laboratory.

Samples of water supplies of dairies are taken at least twice a year and sent to the Department of Health for testing.

Section 46-232, R.C.M. 1947 authorizes the Livestock Sanitary Board or its agent to issue restraining orders affecting dairies. Although such regulatory action was taken in 1968, milk is restrained only on rare occasions. (The restraining orders issued in 1968 resulted from high pesticide content in milk.) The course of action usually taken is to degrade milk supplies from Grade A to Grade B milk when sanitary conditions are not met. Grade B milk may then be sold for manufacturing purposes, but the Grade A designation is not restored until the unsanitary condition has been corrected. (At present, only Grade A dairies are inspected for sanitary conditions; none of the state agencies responsible for regulation of milk conduct on-the-farm sanitation inspections at Grade B dairies.) From 15 to 20 degrading orders are issued a year. Licenses issued under Section 46-232, R.C.M. 1947 may be revoked if compliance with Livestock Sanitary Board rules and regulations or sanitary standards has not been maintained. In fiscal year 1968, two licensed producer dairies which were also licensed as milk plants had both of their licenses revoked.

*Ibid., p. 51.

Employees of the Division attend field and laboratory training seminars conducted by the U. S. Public Health Service on milk, milk plant and dairy inspection. The Division also works with the Food & Drug Administration of the Public Health Service within the United States Department of Health, Education, and Welfare and with Montana's Department of Health in order to achieve standardization and uniformity of labeling of milk cartons to assure that the contents are appropriately defined. In addition, the Food & Drug Administration is concerned with interstate movement of milk products. For example, had restraining orders not been issued by Montana's Livestock Sanitary Board in 1968, the Food & Drug Administration would have prohibited the milk from this area from going into interstate commerce.

The functions of the Livestock Sanitary Board's Dairy & Milk Inspection Division overlap with those of the Department of Agriculture's Dairy & Egg Division. This duplication is given statutory sanction in Sections 3-2401, 3-2402, and 3-2457, R.C.M. 1947, under which the Department of Agriculture is given general regulation of the dairy industry but with the exception of whole, skimmed, condensed and evaporated milk, for which responsibility is vested in the Livestock Sanitary Board. Thus, the Livestock Sanitary Board is responsible for fluid, or Grade A, milk while the Department of Agriculture concerns itself with Grade B milk which is converted into manufactured products such as ice cream, cheddar cheese and butter. Conflicts over jurisdiction have developed under this situation. For example, it would appear that cottage cheese is within the jurisdiction of the Department of Agriculture; when it carries the Grade A label, however, the head of the Dairy & Milk Inspection Division believes it should come within his jurisdiction. Moreover, there is overlapping of inspections in milk plants that also manufacture milk products. According to the head of this Division, Montana is the only state having such split responsibility, and consolidation would be in order.

In accord with Section 3-2406, R.C.M. 1947, samples of dairy products taken by the Dairy & Egg Division of the Department of Agriculture are submitted for laboratory testing and analysis to the State Department of Health, while milk and milk product samples collected by the Dairy & Milk Inspection Division of the Livestock Sanitary Board are tested and analyzed in the Board's Diagnostic Laboratory. Thus, two separate laboratories within the framework of Montana's governmental organization are utilized for testing of milk and its products.

Despite this duplication and overlap among state agencies concerned with the dairy industry, no state agency conducts on-the-farm sanitation inspections at Grade B dairies. On-the-farm sanitation inspections presently are being conducted only at Grade A dairies by the Livestock Sanitary Board. There is at present no quality control program at Grade B dairies; rather, control of Grade B milk presently begins only when the milk is converted into a manufactured product.

Under Section 27-409, R.C.M. 1947, producers, producer-distributors and distributors licensed by the Milk Control Board must first obtain a license from the Livestock Sanitary Board. The Milk Control Board license is automatically issued upon the applicant's demonstration that he holds the required Livestock Sanitary Board license. According to the executive officer of the Livestock Sanitary Board, the purpose of this dual licensing is to ensure that Milk Control Board licensees meet all sanitary requirements.

Funding and Personnel. Seven and ten per cent of total Livestock Sanitary Board expenditures were utilized by this Division in fiscal years 1968 and 1969, as indicated below:

Expenditures, By Object, Dairy & Milk Inspection Division, Livestock Sanitary Board, 1967-69

	Fiscal Year 1968	Fiscal Year 1969
Personal Services	$26,837	$36,858
Operation	6,594	11,168
Capital: Equipment	---	1,583
Totals	$33,431	$49,609

Biennial Total: $83,040

The Division is financed by appropriation from the General Fund.

There are five employees within the Dairy & Milk Inspection Division. The head of the Division also serves as the inspector in Dairy Inspection District #3 (Helena). An inspector is assigned to each of the other three dairy inspection districts, with headquarters in Polson, Great Falls, and Bozeman. The Division secretary completes the roster of employees, which is representative of 9 per cent of the total Livestock Sanitary Board staff.

Meat Inspection

General. The Meat Inspection Division was established under authority of Section 46-208(9), R.C.M. 1947. Although the law providing this authority was enacted in 1921 and the Montana Meat Inspection Law was enacted in 1931, it was not until 1959 that sufficient moneys were appropriated by the state Legislature for a complete meat inspection program. Its purpose is to protect human health and welfare by ensuring that diseased, fraudulent, or contaminated meat and meat products are not sold for human consumption. The Division administers Title 46, Chapter 4, R.C.M. 1947, (Montana Meat Inspection Law); Title 46, Chapter 24, R.C.M. 1947 (Rendering or Disposal Plants - Licensing - Regulation); and Section 94-35-172, R.C.M. 1947.

Description. The primary emphasis of this Division is meat inspection. It is responsible for the inspection, labeling, and grading of meat and meat products offered for sale for human consumption and is charged with the supervision and inspection of slaughterhouses, meat packing houses, rendering or disposal plants, and meat depots in Montana (except where this function is performed by the U. S. Department of Agriculture, as provided for in Section 46-402, R.C.M. 1947). Samples of meat and meat products are collected for testing conducted by the Diagnostic Laboratory. Licenses for the above establishments are approved by the Division. Under Sections 46-2403 and 46-2404, R.C.M. 1947, the Livestock Sanitary Board has power, after hearing, to restrain operation or revoke the license of rendering and disposal plants.

Public Law 90-201, the Wholesome Meat Act of 1967, makes it mandatory that all sheep, cattle, swine, goats and animals of the equine specie, including those intended solely for distribution within the state, be slaughtered and

prepared under federal meat inspection or under a system of state meat inspection at least equal to that of the U. S. Department of Agriculture meat inspection. The law allowed the states from two to three years to accomplish statewide mandatory meat inspection before the Meat Inspection Division, Consumer & Marketing Service, U. S. Department of Agriculture would itself provide and enforce mandatory meat inspection within the states. Although Montana's meat inspection program has not yet been given final approval, it is anticipated by the executive officer of the Livestock Sanitary Board that all requirements will be met and approval granted before the third year has expired. (According to the executive officer, the state could elect, now or at any time in the future, to relegate conduct of the entire mandatory meat inspection program to the U. S. Department of Agriculture.) Before entering into the state-federal meat inspection agreement with the Meat Inspection Division of the Consumer & Marketing Service, U. S. Department of Agriculture in December of 1968, the Division expended $151,590 for meat inspection (in fiscal year 1968). For fiscal year 1970, the first full year under the meat inspection agreement, $221,692 was expended. In fiscal year 1968, there were 19 Division employees; currently, the Division employs 25 full-time and 1½ full-time equivalent, (F.T.E.) part-time personnel.

During fiscal year 1968, 77 per cent of animals slaughtered in licensed establishments were slaughtered under federal meat inspection and could thus become part of interstate commerce; 17 per cent were slaughtered under state meat inspection and 6 per cent were slaughtered without meat inspection. Final approval of the meat inspection program will not result in conversion to total state meat inspection; to engage in interstate commerce, establishments must still be federally inspected. Indeed, the advantages to be gained from participation in interstate commerce (wider markets, etc.) seem to encourage a trend toward conversion to federal meat inspection among larger plants which had been operating under state meat inspection. Thus, the impact of the mandatory meat inspection program for the state will be to bring the numerous small plants responsible for the 6 per cent of animals slaughtered without meat inspection in 1967-68 under state meat inspection. Already, the number of slaughterhouses inspected by the state has increased from 20 in fiscal year 1968 to almost 50. The combination of these two factors - - the conversion of larger plants to federal meat inspection and removal of the exemption of small volume operations from meat inspection - - will make the state's animal unit cost for meat inspection high.

In fiscal year 1968, 20 slaughterhouses and eight meat packing houses operated under state meat inspection, and five slaughterhouses were under federal meat inspection. Slaughtering establishments operating without meat inspection numbered 48. Following is a compilation of official inspections conducted by the Division at licensed establishments in fiscal year 1968.

OFFICIAL INSPECTIONS CONDUCTED AT LICENSED ESTABLISHMENTS,
MEAT INSPECTION DIVISION,
LIVESTOCK SANITARY BOARD, FISCAL YEAR 1968*

TYPE OF ESTABLISHMENT	NUMBER OF INSPECTIONS
Meat Depots	3
Meat Packing Houses	63
Poultry Slaughterhouses	4
Rendering Plants	40
Slaughterhouses	121
Slaughterhouses - Rabbit	4
Locker Plants (Federal-State Survey)	49
Retail Markets (Federal-State Survey)	70
TOTAL OFFICIAL ESTABLISHMENT INSPECTIONS	356

In addition to meat inspection performed by this Division under the above outlined state-federal agreement with the Meat Inspection Division of the Consumer & Marketing Service, U. S. Department of Agriculture, the Division maintains a relationship with the U. S. Department of Agriculture through the attendance of its employees at U. S. Department of Agriculture-conducted seminars on laboratory training and meat inspection procedures.

Funding and Personnel. In fiscal year 1968, the Meat Inspection Division utilized 31 per cent of total Livestock Sanitary Board expenditures; the fiscal year 1969 figure was 29 per cent. In the table below, expenditures for each fiscal year in the 1967-69 biennium are detailed.

Expenditures, By Object, Meat Inspection Division,
Livestock Sanitary Board, 1967-69

	Fiscal Year 1968	Fiscal Year 1969
Personal Services	$144,984	$132,034
Operation	6,606	9,277
Capital: Equipment	---	1,401
Totals	$151,590	$142,712

Biennial Total: $294,302

The Division is financed by General Fund appropriations and federal funds authorized under PL 90-201. To date, state funds have been matched 50-50 by federal funds in order to establish the statewide meat inspection program. After approval of the program, which is contingent upon compliance with detailed regulations established by the Consumer & Marketing Service, it is anticipated by the executive officer of the Livestock Sanitary Board that federal funds will continue to be made available to aid in program implementation and administration.

*Ibid., p. 56.

The Meat Inspection Division consists of the veterinarian in charge of the Division, his secretary, five districts supervised by licensed veterinarians, and approximately 18 full-time inspectors (not veterinarians) who work in the five districts. In addition, private veterinarians are utilized on a part-time, per diem basis to aid the lay meat inspectors when the services of a licensed veterinarian are required. The activities of these private veterinarians combine to form the equivalent of approximately 1½ full-time employees. Because this program has not yet been fully effected, this figure may increase in the future.

The 25 full-time Meat Inspection employees, together with the part-time work of the private veterinarians, currently represent 45 per cent of the total Livestock Sanitary Board staff. Full implementation of the mandatory meat inspection program may require additional employees.

Relations With Other Agencies

Section 82-2901, R.C.M. 1947 provides that the executive officer of the Livestock Sanitary Board is a member of the Agriculture & Livestock Council. However, this council has been inoperative for several years.

As outlined in the program descriptions, the Livestock Sanitary Board has cooperative relationships with Montana State University (its Animal & Range Sciences Department and the Veterinary Research Laboratory), the U. S. Department of Agriculture (Agricultural Research Service, Animal Health Division and Consumer & Marketing Service, Meat Inspection Division), the U. S. Food & Drug Administration and the U. S. Public Health Service, U. S. Department of Health, Education, and Welfare.

The Department of Health and the Livestock Sanitary Board both function to protect public health; therefore, coordination of efforts and exchange of information are necessary. The differentiation to be made between the two agencies is that while the concern of the Department of Health is with human diseases, the focus of the Livestock Sanitary Board is upon livestock diseases.

The Livestock Sanitary Board alerts city and county health departments of animal disease outbreaks which might also affect humans and these local agencies in turn notify the Livestock Sanitary Board of human diseases which might be traceable to animals. In those cities and counties where local milk and meat inspection is conducted, the efforts of the local agencies and the Livestock Sanitary Board are coordinated in order to avoid duplication, and to maintain state standards.

The Livestock Commission and the Livestock Sanitary Board both have responsibilities in administration of the livestock market law. The Livestock Sanitary Board is responsible for sanitary conditions of the markets but the Livestock Commission is the licensing agency. If a market does not meet the sanitary standards of the Livestock Sanitary Board, the Livestock Commission may institute proceedings to revoke the market's certificate of public convenience and necessity. The Livestock Commission also cooperates in tracing diseased animals and in enforcing quarantines imposed by the Livestock Sanitary Board.

Discussion of the overlapping responsibilities of the Livestock Sanitary Board and the Department of Agriculture is contained in the Dairy & Milk Inspection program description. The Livestock Sanitary Board also must be aware of the composition of commercial feeds regulated by the Department of Agriculture due to cattle poisoning which sometimes results from an excess of some substance in the feed. Finally, milk and meat products are packaged and must meet weight and measure standards which are the responsibility of the Department of Agriculture.

Under Section 27-409, R.C.M. 1947, producers, producer-distributors and distributors licensed by the Milk Control Board must first obtain a license from the Livestock Sanitary Board. The Milk Control Board license is automatically issued upon the applicant's demonstration that he holds the required Livestock Sanitary Board license. According to the executive officer of the Livestock Sanitary Board, the purpose of this dual licensing is to ensure that Milk Control Board licensees meet all sanitary requirements.

Rabies control is the concern of the Livestock Commission, the Fish & Game Commission and the U. S. Bureau of Sports, Fisheries & Wildlife as well as local agencies and the Livestock Sanitary Board.

PRESENT ORGANIZATION

WOOL LABORATORY ADVISORY COMMITTEE

Organization

The Wool Laboratory Advisory Committee is created in Section 75-717, R.C.M. 1947; the purpose of the Committee is to aid or assist and advise in the internal administration, field service, and all activities of the Montana Wool Laboratory of the Agricultural Experiment Station at Montana State University. Composed of three members, the Advisory Committee is to consist of:

(1) the Director of the Agricultural Experiment Station;
(2) a member appointed by the Governor to a three-year term from a list of woolgrowers named by the Board of Trustees of the Montana Woolgrowers Association; and
(3) a member appointed by the Governor to a three-year term from a list of members of the wool trade named by the Director of the Agricultural Experiment Station from among individuals actively engaged within the state in the handling of Montana wools.

The Director of the Montana Wool Laboratory is to serve as secretary of the Advisory Committee.

Under Section 75-718, R.C.M. 1947, the Director of the Montana Wool Laboratory and the Advisory Committee have power to promulgate rules and regulations for the conduct of the Laboratory and its field service and for relations with individual woolgrowers and members of the wool trade desiring the services of the Laboratory.

Although Section 75-717, R.C.M. 1947 provides that the Committee is to meet not less than once each year to hear the annual report and participate in the formulation of the policy and program of the Laboratory, and designates per diem of $10 per day for the appointed Committee members (to be paid out of Laboratory funds), according to the Director of the Agricultural Experiment Station, the Committee has not been active in the recent past. According to him, the Montana Agricultural Experiment Station has a Sheep and Wool Advisory Committee with membership determined by the Montana Woolgrowers Association. This committee includes discussions of the policies and programs of the Wool Laboratory in its deliberations. He declares that this is a very workable arrangement, and that the legal requirement for the establishment of an Advisory Committee to the Montana Wool Laboratory might be repealed.

PRESENT ORGANIZATION

AGRICULTURE & LIVESTOCK COUNCIL

The Agriculture & Livestock Council was created in 1953 as an interdepartmental advisory council (Title 82, Chapter 29, R.C.M. 1947). Section 82-2903, R.C.M. 1947 states:

> The duties of the council shall be:
>
> (a) Joint consideration of administrative problems and legislative needs which they have in common, particularly, but not exclusively, relating to regulation and inspection of dairies, manufacture, inspection and distribution of dairy products, movement of livestock and control of diseases of livestock, quarantine and condemnation of diseased cattle and dipping requirements.
>
> (b) The making of studies for the purpose of devising ways and means for more effective co-ordination of their work, and for elimination of duplication and overlapping, particularly, in the field of regulation and inspection of dairies, manufacture and distribution of dairy products.
>
> (c) The preparation of reports of studies made by them, and recommendations made by them in regard to matters which the governor may bring to their attention, or which in their judgment ought to be brought to the attention of the governor or the legislature.

Although the statutes provide that the Council is to consist of the executive officer of the Livestock Commission, the executive officer of the Livestock Sanitary Board, the executive officer of the State Board of Health, the Commissioner of Agriculture, the executive secretary of the Milk Control Board and the executive secretary of the Poultry Improvement Board* (Section 82-2901, R.C.M. 1947) and that the Council shall hold quarterly meetings (Section 82-2902, R.C.M. 1947), according to the executive officer of the Livestock Sanitary Board the Council has not met during the last 10 to 12 years.

*The Poultry Improvement Board was abolished in 1961.

SUMMARY OF PRESENT ORGANIZATION

There are at present five statutory agencies directly concerned with livestock in the State of Montana. Two of these, the Livestock Commission and the Livestock Sanitary Board, may be considered to be major state agencies. Another, the Advisory Committee on Predatory Animal Control, operates within the framework of the Livestock Commission. The other two are non-functioning; the Wool Laboratory Advisory Committee ceased to function relatively recently, but the Agriculture & Livestock Council has been inactive for some ten years.

LIVESTOCK COMMISSION

The Livestock Commission is composed of six members appointed by the Governor with the consent of the Senate to staggered six-year terms. Appointees must be residents of Montana and owners of cattle, sheep or horses in the state. Members receive no compensation other than actual expense payments. Although there is no statutory requirement for Commission meetings, at least three meetings are held each year.

The Livestock Commission appoints the secretary, who is chief executive officer of the Livestock Commission and also the general recorder of marks and brands.

The agency performs its duties through the conduct of three programs: Administration and Enforcement, Rabies Control, and Predatory Animal Control. The executive officer has estimated that 85 per cent of staff time is devoted to enforcement activities, with only one per cent concerned with rabies control and predatory animal control; and the remaining 14 per cent is consumed in administration.

There were 64 full-time equivalent employees in the first year of the current biennium, with the number to be increased to 67 (FTE) during the second year.

Expenditures during the 1967-69 biennium totaled $1,385,320. The 1969-71 appropriation is $1,448,677. The Commission is self-financed; income received is from fees and two special mill levies on livestock, one for the support of the Commission and the other to be utilized in the conduct of the Predatory Animal Control program. (The Rabies Control program is conducted with a General Fund appropriation.)

The statutory purpose of the Livestock Commission is to exercise general supervision over and protect the livestock interests of the state from theft and disease, and to recommend legislation that will foster the industry. The agency fulfills two major functions, those of licensing and enforcement.

The Livestock Commission devotes approximately 25 per cent of its time to hearings required by statute and by regulations prescribed by the Commission; 8 per cent of its time is devoted to establishing and amending rules and regulations relating to livestock brands, hide inspection, livestock inspection, livestock markets, predatory animal control, and the government and conduct of the business of the Commission. Fully two-thirds of the Commission's time, then, is concerned with administrative matters. Although the Commission is involved with administrative detail, the bulk of this time is given over to review of livestock market operations, discussion of inspection work, and consideration of the progress of investigations under way and the status of cases in court. Furthermore, Commission members consult with and advise the secretary of the Commission on a daily basis.

The Livestock Commission itself is responsible for licensing and supervising livestock markets in the state. A full-scale hearing is conducted by the Commission whenever an application for a new livestock market license is filed. The applicant must prove that he meets stringent requirements before a new license is issued; indeed, the license is designated as a certificate of public convenience and necessity. Only 16 licensed livestock markets are in existence in the state. The markets remain under the careful regulation of the Livestock Commission after licensing; all changes in livestock markets are made subject to approval of the Livestock Commission. Any change of consequence in the operation of any livestock market requires further hearings.

While licensing and supervision of livestock markets is the province of the Livestock Commission itself, the Administration and Enforcement program is conducted primarily by the staff of the agency. The purpose of this program is to protect the livestock industry of the state from felonious brands and theft of stock. Many of the administrative activities of the staff aid in law enforcement. For example, all brands used in the state must be recorded in the central office in Helena. Lists of recorded brands are also maintained at each of the licensed livestock markets in the state for the use of stock inspectors in determining ownership of animals. Notices of secured interest and satisfaction on livestock are filed in the central office and listed on the official records of marks and brands; they also are listed in the offices of stock inspectors stationed at livestock markets. (However, despite duplication of filings of secured interest, assignments, renewals and satisfactions on livestock among county offices, the Office of the Secretary of State, and the Livestock Commission office, none of these offices has a complete and comprehensive list. The secretary of the Livestock Commission has suggested that such a comprehensive listing might be valuable in the central office of the Livestock Commission in that it would provide a quick, available and correct information reference.)

The overwhelming emphasis of the agency is law enforcement. The livestock laws of the state are formulated to assure the prevention of unlawful movement of cattle and horses for the prevention of theft. Cattle and horses must be inspected for brands to assure rightful ownership before sale at livestock markets or before removal from any county in the state. The issuance

of market consignment permits and transportation permits before removal of livestock from a county does not require inspection, but inspection is required when the livestock reaches the livestock market or shipping point. Cattle may also be shipped direct by railroad to livestock markets designated by the Commission without prior inspection; however, the shipment is subject to brand inspection immediately upon reaching its destination point as listed on the shippers' tally. Should a question arise during brand inspection as to ownership, livestock may be held pending proof of ownership. To aid in enforcement, hide dealers and buyers are licensed by the Commission, and general supervision is required in order that evidence of ownership of hides or the animals from which hides are removed be established and maintained. For the same purpose, it is necessary that dead or fallen animal records be executed when dead or fallen animals are received by renderers. Thus, the hide laws of the state facilitate the conduct of investigations of livestock thefts and losses. Commission personnel conduct investigations when livestock thefts or losses are discovered or reported, often resulting in legal action. The Commission is involved in an average of 50 court cases a year.

The actual conduct of the Rabies Control and Predatory Animal Control programs is performed by personnel of the Division of Wildlife Services in the Bureau of Sports Fisheries and Wildlife, U.S. Department of the Interior.

The purpose of the Rabies Control program is to control rabies outbreaks in rodents, scavengers and predatory animals, thereby protecting human life, domestic livestock, and game animals. Though the Livestock Commission was appropriated the funds for the conduct of this program, it is carried out in conjunction with the Livestock Sanitary Board, the Department of Health, the Fish and Game Department and county officials. The Livestock Commission itself (as opposed to the staff) devotes approximately 2 per cent of its time to this program at present.

The purpose of the Predatory Animal Control program is to protect domestic livestock and poultry of all species and varieties from depredation by wild predatory animals. Although funds for this program are made available from county contributions, Fish and Game Department funds, and federal funds as well as Livestock Commission funds, it is the Livestock Commission which by statute has the primary responsibility for formulating and conducting practical programs to fulfill this purpose. Although it is Bureau personnel who conduct the program, the Livestock Commission delineates the projects for which the funds allocated for the program may be used. In addition the secretary of the Commission maintains close surveillance of the projects which are conducted. Furthermore, because the conduct of this program has at times been questioned by some wildlife and conservation groups in the state, the Livestock Commission itself (as opposed to the staff) devotes approximately 5 per cent of its time to this program; a large portion of this time is spent in explanation of the program.

ADVISORY COMMITTEE ON PREDATORY ANIMAL CONTROL

The five-member Advisory Committee on Predatory Animal Control is created by statute to consult with and advise the Livestock Commission, the Fish and Game Commission, and county and local predatory animal control organizations concerning their predatory animal control functions and expenditures. The director of the Fish and Game Department is a member of the Committee, and the other four members are appointed by the Governor; there must be one representative of each of the following organizations:

(1) the Montana Woolgrowers' Association,
(2) the Montana Stockgrowers' Association,
(3) the Montana Federated Wildlife Clubs,
(4) the Montana County Commissioners' Association.

The secretary of the Livestock Commission is ex-officio secretary of the Advisory Committee. The Advisory Committee meets at least twice each year and reviews the program plans and budget drawn up by the state supervisor of the Division of Wildlife Services, Bureau of Sport Fisheries and Wildlife, U.S. Department of the Interior. The Advisory Committee then makes recommendations to the Livestock Commission as to the conduct of the program, and advises the contributing agencies on need for funds.

LIVESTOCK SANITARY BOARD

The Livestock Commission is ex-officio the Livestock Sanitary Board, and the chairman of the Livestock Commission is chairman of the Livestock Sanitary Board. Meetings of the Board are held on call of the chairman or executive officer, or of any three members. In practice, meetings are held an average of four or five times a year. Regular meetings of the Board are scheduled to coincide with meetings of the Livestock Commission. Members of the Livestock Commission receive no compensation for their service as Livestock Sanitary Board members; however, they do receive travel and expense payments. The expenses of the members for regular meetings of the Livestock Commission and Livestock Sanitary Board are shared equally by the two agencies when the meetings are of equal length. (When members perform services related only to one of the agencies, however, that agency pays the expenses.)

Although the membership of the Livestock Sanitary Board is the same as that of the Livestock Commission, the agencies which these governing bodies direct presently exist as completely separate agencies operating independently of each other within the structure of state government.

The Livestock Sanitary Board appoints the chief executive officer who acts as the State Veterinary Surgeon; the appointee must be a graduate veterinarian licensed to practice veterinary medicine in Montana.

Livestock Sanitary Board expenditures during the 1967-69 biennium totaled $972,263. The 1969-71 appropriation is $1,413,737. Of this amount, $628,831 was appropriated from the General Fund; $526,106 from the Earmarked Revenue Fund; and $258,800 from the Federal & Private Revenue Fund. License fee income is deposited in the General Fund. A 4½ mill levy is assessed on the taxable value of all livestock in the state and collected by County Treasurers; this levy is deposited in the Earmarked Revenue Fund. Under PL 90-201, the Wholesome Meat Act of 1967, federal funds are allocated to the Livestock Sanitary Board to develop and administer mandatory statewide meat inspection standards at least equal to the standards established for federal meat inspection. The statute provides that federal funds are not to exceed 50 per cent of the cost of the cooperative program; in practice, state funds in Montana have been matched by federal funds on a 50-50 basis.

The primary purpose of the Livestock Sanitary Board is to protect and promote the livestock industry by controlling and eradicating livestock and poultry diseases. Livestock disease control also serves to protect public health.

Formal hearings required by law for revocation of licenses or to restrain operations are held once or twice a year and consume approximately 2 per cent of Board time. The Board devotes 25 per cent of its time to adoption, review and revision of regulations which govern the industry and serve as guidelines to agency personnel. In addition, approximately 13 per cent of Board time is concerned with administrative guidelines governing matters internal to the agency (such as sick leave policy). The Board is perfunctorily involved with administrative detail; however, most of the remaining 60 per cent of Board time is taken up with review of the activities of the agency. Thus, each of the Divisions submits monthly status reports to the Board members, and much of the Board's meeting time is devoted to survey and discussion of these Division activities, often culminating in establishment of informal program direction as well as regulations.

There are five Divisions within the agency: Administration, Diagnostic Laboratory, Disease Control, Dairy & Milk Inspection, and Meat Inspection. The staff of the Sanitary Board consists of 57½ employees (full-time equivalent).

The Administration Division directs and coordinates the programs conducted by the agency and correlates the activities of the other four divisions, which are also closely interrelated. The Administration Division issues all licenses and permits after issuance has been approved by the appropriate Division within the agency.

The Diagnostic Laboratory exists to support the functions of the other three Divisions. Its purpose is to provide livestock disease control and assurance of a safe meat and milk supply. Thus, it aids the livestock industry and concurrently protects public health. The Diagnostic Laboratory is responsible for diagnosis of animal diseases; and it conducts bacteriology and chemical tests on buttermilk, cottage cheese, cream and milk as well as autopsies and bacteriology, pathology, parasitology, virology, serology, and chemical tests.

The purpose of the Disease Control Division is to safeguard Montana's livestock industry from infectious and contagious animal diseases. In fulfilling this goal, it also protects public health. The Division conducts tests and official inspections of animals to fulfill its responsibiliy of livestock and poultry disease prevention, control and eradication. Investigation of diseases is conducted by the Division, which may quarantine livestock and poultry when necessary, and which is also responsible for the slaughter of diseased livestock (for which indemnity payments are made). The Division provides for the safety of manufactured or refined foods for livestock through inspection and enforcement of sanitary requirements for garbage cooking-feeding establishments (where garbage is treated or fed to swine or other animals). Sanitary standards are also enforced and animals inspected for disease at livestock markets. Miscellaneous duties are regulation of the practice of artificial insemination through approval of licenses to practice artificial insemination, and assuring control and safety of remedies and biological products used for treatment of animals (such as regulation of tuberculin for animal use).

In their conduct of the Disease Control program, the full-time Division employees are aided by the veterinarians in private practice throughout the state who are deputized by the Board as resident deputy state veterinarians. They are on call to aid in field investigations and disease control work in their localities. In addition, they submit monthly disease reports to the agency, and immediately report all dangerous livestock disease outbreaks. Included in this category are the 16 resident deputy state veterinarians who reside in the towns where livestock markets are located and are assigned as livestock market inspectors. The total of the part-time work of private veterinarians averages out over the period of a year to the equivalent of approximately three full-time employees.

The purpose of the Dairy & Milk Inspection Division is to protect human health and welfare by guarding against fluid milk-borne disease outbreaks and fraudulent products on the market. The Division is responsible for the supervision, inspection and control of the standards and sanitary conditions of all Grade A dairies and all milk plants offering milk or milk products for sale for human consumption. To fulfill this responsibility, it approves dairy and milk plant licenses and permits for milk distributors, and conducts two inspections a year of all Grade A dairies and at least four inspections a year of all milk plants. Samples of water supplies of dairies are taken at least twice a year and sent to the Department of Health for testing. Milk plant equipment is also tested for efficiency by the Division, and milk and milk product samples are collected for analysis and testing conducted by the Diagnostic Laboratory. If samples do not meet the required standards, the Division has power to remove the products from the market. Restraining orders affecting dairies may also be issued although such action is seldom taken; rather, milk supplies are usually degraded from Grade A to Grade B milk, which may then be sold for manufacturing purposes. Licenses may also be revoked if compliance with Livestock Sanitary Board rules and regulations or sanitary standards has not been maintained. In

conducting its regulatory program, the Division works closely with the Department of Health through city and county health departments and the Food & Drug Administration of the Public Health Service, U.S. Department of Health, Education and Welfare.

By statute, producers, producer-distributors and distributors licensed by the Milk Control Board must first obtain a license from the Livestock Sanitary Board. According to the executive officer of the Livestock Sanitary Board, the purpose of this dual licensing is to ensure that Milk Control Board licensees meet all sanitary requirements.

Regulation of the dairy industry in Montana is at present split between the Livestock Sanitary Board and the Department of Agriculture. In general, the Dairy & Milk Inspection Division of the Livestock Sanitary Board is responsible for the regulation of fluid, or Grade A, milk while the Dairy & Egg Division of the Department of Agriculture has jurisdiction over Grade B milk (which is converted into manufactured dairy products). Conflicting jurisdiction is the inevitable result. Cottage cheese is usually made from Grade A milk, bringing it within the jurisdiction of the Livestock Sanitary Board; yet the milk is converted by manufacturing from a fluid to a solid state and thus it may be subject to regulation by the Department of Agriculture. Inspections by the Dairy & Milk Inspection Division of the Livestock Sanitary Board and the Dairy & Egg Division of the Department of Agriculture also overlap at manufacturing plants where excess Grade A milk is converted into manufactured products. In addition, Livestock Sanitary Board field men test high temperature short time pasteurization equipment when in the area of the equipment as a service to the Dairy & Egg Division of the Department of Agriculture.

Samples of dairy products taken by the Dairy & Egg Division of the Department of Agriculture are submitted for laboratory testing and analysis to the State Department of Health, while milk and milk product samples collected by the Dairy & Milk Inspection Division of the Livestock Sanitary Board are tested and analyzed in the Board's Diagnostic Laboratory. Thus, two separate laboratories within the framework of Montana's governmental organization are utilized for testing of milk and its products.

Despite this duplication and overlap among state agencies concerned with the dairy industry, no state agency conducts on-the-farm sanitation inspections at Grade B dairies. There is at present no quality control program at Grade B dairies; rather, control of Grade B milk presently begins only when the milk is converted into a manufactured product. With the goal of increased consumer protection, the chief of the Dairy & Egg Division in the Department of Agriculture desires to extend the authority of his Division to govern dairies which produce milk and cream for manufacturing purposes excluding those governed under the Grade A program. Should such an on-the-farm sampling and inspection program be instituted at Grade B dairies, there would result some travel duplication with the Livestock Sanitary Board in

its Grade A inspection program. (Although the staff of the Dairy & Egg Division, Department of Agriculture would not inspect the same dairies as are inspected by the Livestock Sanitary Board, many of the same roads would be traveled, and the same type of inspection would be made.)

[In addition to the division of responsibility for regulation of the dairy industry between the Livestock Sanitary Board and the Department of Agriculture, jurisdiction over hatcheries is split between the Livestock Sanitary Board and the Department of Agriculture. By statute, the Livestock Sanitary Board (Disease Control Division) tests breeding flocks for disease while the Dairy & Egg Division of the Department of Agriculture licenses hatcheries, chick and poultry dealers and hatching egg producers, and maintains the flock testing records.]

The purpose of the Meat Inspection Division is to protect human health and welfare by insuring that diseased, fraudulent, or contaminated meat and meat products are not sold for human consumption. The primary emphasis of the Division is meat inspection. It is responsible for the inspection, labeling, and grading of meat and meat products, and is charged with the supervision and inspection of slaughterhouses, meat packing houses, rendering or disposal plants, and meat depots in Montana (except where this function is performed by the U.S. Department of Agriculture.) Licenses for these establishments are approved by the Division. Samples of meat and meat products are collected for testing conducted by the Diagnostic Laboratory. The Livestock Sanitary Board has power, after hearing, to restrain operation or revoke the license of rendering and disposal plants.

Public Law 90-201, the Wholesome Meat Act adopted by Congress in 1967, required all states to inaugurate and enforce mandatory, statewide meat inspection systems at least equal to the meat inspection system maintained by the Meat Inspection Division, Consumer & Marketing Service, USDA. Failure of a state to achieve this goal - - as determined by the U.S. Secretary of Agriculture - - would result in a mandatory system of federal meat inspection only within the state. On December 16, 1968, the Livestock Sanitary Board entered into a cooperative agreement with the USDA to aid in expanding its meat inspection program to achieve the required statewide mandatory meat inspection; the state has until December 15, 1970 to fulfill all the necessary requirements. Final approval of the meat inspection program will not result in conversion to total state meat inspection. To engage in interstate commerce, establishments must still be federally inspected, and the advantages to be gained from participation in interstate commerce have encouraged a trend toward conversion to federal meat inspection among larger plants which had been operating under state meat inspection. Thus, the impact of the mandatory meat inspection program for the state will be to bring numerous small plants (responsible for only 6 per cent of animals slaughtered without meat inspection in 1967-68) under state meat inspection. The combination of these two factors - - the conversion of larger plants to federal meat inspection and removal of the exception of small volume operations from meat inspection - - will make the state's animal unit cost for meat inspection high.

WOOL LABORATORY ADVISORY COMMITTEE

The purpose of the Wool Laboratory Advisory Committee is to aid or assist and advise in the internal administration, field service, and all activities of the Montana Wool Laboratory of the Agricultural Experiment Station at Montana State University. Composed of three members, the Advisory Committee is to consist of:

(1) the Director of the Agricultural Experiment Station;
(2) a member appointed by the Governor to a three-year term from a list of woolgrowers named by the Board of Trustees of the Montana Woolgrowers Association; and
(3) a member appointed by the Governor to a three-year term from a list of members of the wool trade named by the Director of the Agricultural Experiment Station from among individuals actively engaged within the state in the handling of Montana wools.

The Director of the Montana Wool Laboratory is to serve as secretary of the Advisory Committee.

The Committee has not been active in the recent past, according to the Director of the Agricultural Experiment Station. Its functions are adequately performed by the Experiment Station's Sheep and Wool Advisory Committee, whose membership is determined by the Montana Woolgrowers Association.

AGRICULTURE & LIVESTOCK COUNCIL

The Agriculture & Livestock Council was created in 1953 as an interdepartmental advisory council. Although the statutes provide that the Council is to consist of the executive officer of the Livestock Commission, the executive officer of the Livestock Sanitary Board, the executive officer of the State Board of Health, the Commissioner of Agriculture, the executive secretary of the Milk Control Board, and the executive secretary of the Poultry Improvement Board (which has since been abolished), and that the Council shall hold quarterly meetings, according to the executive officer of the Livestock Sanitary Board the Council has been inactive for at least a decade.

APPRAISAL

Probably no industry in Montana is regulated or scrutinized more closely than the livestock industry. From the time a calf is born, its life is stringently regulated by the livestock governing boards. If the animal is branded, its brand must be recorded in the office of the general recorder of marks and brands. If the animal is moved from one county to another, its owner must notify a stock inspector who then authorizes the removal. If the animal is sold in a livestock market, it can be removed from the market only when the stock inspector authorizes its release. Should the animal contract an infectious disease, it may be placed in quarantine (together with the herd in which it runs) or ordered to be slaughtered. If the animal is slaughtered to provide meat, the meat must be inspected; the hide must also be inspected for proof of ownership. Should the animal die and be termed a "dead or fallen animal", its disposal must meet the prescribed regulations, and its hide must be inspected for proof of ownership before final disposal.

The staff believes that such total control over an industry and the individual rancher and businessman should not be reposed in a single individual.

The Livestock Commission exercises complete control over the issuance of livestock market licenses. Thus, by refusing to issue a certificate of public convenience and necessity, the Commission can forestall operations. Furthermore, the Commission may order discontinuance of a market's operation. Such functions are quasi-judicial, and should be exercised by a group of individuals in concert rather than by a single administrator.

In order to properly fulfill their responsibility of regulating livestock markets, the Livestock Commission members maintain constant and detailed surveillance of the activities of the licensed markets in the state. Their law enforcement function requires that they be kept current on the progress of investigations of livestock thefts and the status of cases in court. In their capacity as the Livestock Sanitary Board, members also are constantly advised of the animal disease situation in the state. On a daily basis, then, members consult with and advise the two agency administrators. Thus, the agency administrators recognize and utilize the reservoir of expertise which reposes in the Livestock Commission, ex-officio Livestock Sanitary Board.

Responsibility for the livestock industry in the State of Montana is at present vested in both the Livestock Commission and the Livestock Sanitary Board. Although the membership of the Livestock Sanitary Board is the same as that of the Livestock Commission, the agencies which these governing bodies direct presently exist as completely separate agencies operating independently of each other within the structure of state government. In general, a distinction which may be made is that the primary purpose of the Livestock Commission is to foster the livestock industry of the state by enforcing the laws which guard against theft of livestock, while it is the Livestock Sanitary Board's prime responsibility to protect the livestock industry of the state from disease. However, the 1917 act which created the present Livestock Commission declared, "It shall be the duty of the livestock commission to exercise general supervision

over, and, so far as possible, protect the livestock interests of the state from theft and disease . . ." (emphasis supplied) even though a Livestock Sanitary Board (with composition different from that at present) existed at the time. The sections of the act creating the Livestock Commission and enumerating its duties have remained unamended since 1917; thus, by statute, protection of the livestock industry from disease remains a function of the Livestock Commission.

Furthermore, because the Livestock Commission is, by statute, ex-officio the Livestock Sanitary Board, the same members comprise the Livestock Commission and the Livestock Sanitary Board. The chairman of the Livestock Commission is chairman of the Livestock Sanitary Board, and regular meetings of the Livestock Commission and the Livestock Sanitary Board are held at the same time. Indeed, sessions are sometimes interspersed, with the members meeting as the Livestock Commission, then recessing to go into session as the Livestock Sanitary Board, then back into session as the Livestock Commission, etc. When meetings of the Livestock Commission and the Livestock Sanitary Board are of equal length, moreover, the members' expenses are divided equally between the two agencies.

The Livestock Commission and the Livestock Sanitary Board both have responsibilities in administration of the livestock market laws. While the Livestock Commission is the licensing agency having general regulation and supervision over livestock markets, the Livestock Sanitary Board is responsible for sanitary conditions of the markets and conducts official animal disease inspections at livestock markets. If, however, a market does not meet the sanitary standards of the Livestock Sanitary Board, it is the Livestock Commission which institutes proceedings to revoke the market's certificate of public convenience and necessity.

Similarly, the Livestock Sanitary Board licenses and has general regulatory power over slaughterhouses and rendering or disposal plants, and it is charged with conducting sanitary control and meat inspection programs. On the other hand, in order to guard against the sale of stolen meat and hides, the Livestock Commission prescribes certificates of inspection to be utilized by County Sheriffs in inspecting hides of slaughtered beef and veal for brands, or its employees themselves make inspections of meat cattle at licensed slaughterhouses. Furthermore, officers authorized to make brand inspections of hides may enter slaughterhouses and other establishments licensed by the Livestock Sanitary Board to determine whether the hide inspection laws are being violated, and have authority to seize and sell meat held in violation of these hide inspection laws. Although licensed by the Livestock Sanitary Board, rendering and disposal plants must also comply with laws intended to protect the animal owner. A dead or fallen animal record, the purpose of which is to establish ownership, must be executed when a dead or fallen animal is received by a renderer, and the renderer must identify the animal by tagging it with one of his serially - numbered metal identification tags prescribed by the Livestock Commission.

The Livestock Commission cooperates in tracing diseased animals and in enforcing quarantines imposed by the Livestock Sanitary Board. Although it would seem that rabies control might be in the province of the Livestock Sanitary Board, it is the Livestock Commission which has received legislative appropriations for rabies control and which makes the final determination as to the extent of control necessary. Nevertheless, the Livestock Sanitary Board does participate in the conduct of the rabies control program by testing suspected rabid animals in its Diagnostic Laboratory and determining, in conjunction with the Department of Health, whether there is a need for rabies suppression work.

There seems to be little reason for the existence of two agencies concerned with the livestock industry in the State of Montana. These two agencies should be consolidated, and the artificial distinction made between the Livestock Commission and the Livestock Commission in its ex-officio capacity as the Livestock Sanitary Board should no longer be preserved.

Divided and conflicting jurisdiction, overlapping inspections, use of two separate laboratories for testing of milk and its products - - these situations are characteristic of Montana's present dairy industry regulation. At present, regulation of the dairy industry in the state is split between the Livestock Sanitary Board's Dairy & Milk Inspection Division and the Department of Agriculture's Dairy & Egg Division. Although the general differentiation is that the Dairy & Milk Inspection Division, Livestock Sanitary Board regulates fluid, or Grade A, milk while the Dairy & Egg Division, Department of Agriculture regulates milk that is converted by manufacturing from a fluid to a solid state (Grade B milk), conflicting jurisdiction can and does result. In addition, while the Dairy & Egg Division, Department of Agriculture utilizes the Department of Health laboratory for testing and analysis of dairy product samples, the Livestock Sanitary Board's Diagnostic Laboratory is used for testing and analysis of milk product samples taken by the Dairy & Milk Inspection Division of the Livestock Sanitary Board.

Yet, despite this duplication and overlap among state agencies concerned with the dairy industry, an inspectional and sampling void exists within the state. No state agency presently conducts on-the-farm sanitation inspections at Grade B dairies; thus, control of Grade B milk presently begins only when the milk is converted into a manufactured product. Furthermore, should this void be filled by the Department of Agriculture, the agency presently responsible for the regulation of Grade B milk, travel duplication would result with the Livestock Sanitary Board in its Grade A inspection program; the type of inspection made would also be the same. For these reasons, and because the Livestock Sanitary Board at present operates a laboratory which is necessary in the conduct of an adequate regulatory program, the functions currently being performed by the Dairy & Egg Division, Department of Agriculture should be transferred to the proposed agency into which the Livestock Sanitary Board will be consolidated. It is almost needless to say that the Division's funding should transfer as well.

It should be noted that the Dairy & Egg Division, Department of Agriculture is responsible for poultry and eggs as well as regulation of Grade B milk. At present, however, the Livestock Sanitary Board concerns itself with identification and prevention of poultry diseases, and jurisdiction over hatcheries is again split by statute between the Livestock Sanitary Board and the Department of Agriculture. Thus, it would seem that the poultry and egg function might transfer as readily as does the dairy function.

Despite duplication of filings of secured interest, assignments, renewals and satisfactions on livestock among county offices, the Office of the Secretary of State, and the Livestock Commission office, such filings are not mandatory and none of the offices has a complete and comprehensive list. In the future, detailed study might be undertaken to determine whether the filings should be consolidated or if a duplicate, comprehensive list should be maintained in one central location. The study might also determine whether filing of security interests should be mandatory.

The Advisory Committee on Predatory Animal Control serves only in an advisory capacity to the Livestock Commission, the Fish and Game Commission, and county and local predatory animal control organizations. Although the Advisory Committee does review program plans and the budget drawn up by the state supervisor of the Division of Wildlife Services of the Bureau of Sport Fisheries and Wildlife, and makes recommendations to the Livestock Commission, it is the Commission which has final responsibility for determining the predatory animal control projects for which the Division of Wildlife Services, Bureau of Sport Fisheries and Wildlife, U. S. Department of the Interior will be reimbursed from funds allocated for predatory animal control. The statutory requirement for this Advisory Committee should be repealed. However, if the proposed Livestock Board determines that a need exists for advice as to predatory animal control, the Board should be permitted to appoint its own advisory committee.

The Wool Laboratory Advisory Committee is presently inactive; its functions are being performed by a non-statutory body; and the Director of the Agricultural Experiment Station, a member of the Committee who is also responsible for aiding in the selection of one of the other two Committee members, believes the statutory requirement for such a Committee is unnecessary. The statutory requirement should be repealed.

The Agriculture & Livestock Council has long been inactive and its major purpose, the consolidation of dairy industry regulation, is achieved in the following staff proposal. Thus, the act creating this Council should be repealed.

STAFF PROPOSAL

The staff recommends that the two major agencies concerned with livestock in the State of Montana be consolidated into a single Department of Livestock and that a single Livestock Board be created, eliminating the legal fiction distinguishing the Livestock Sanitary Board from the Livestock Commission. More specifically the staff recommends:

1. That there be created a Livestock Board which will assume the powers and duties of the Livestock Commission and the Livestock Sanitary Board. The proposed Livestock Board shall be composed of six members appointed by the Governor, subject to confirmation by the Senate, to six-year terms. Board members shall be residents of Montana and owners of cattle, sheep or horses in the state.

2. That the Governor designate the chairman of the Livestock Board, who shall serve as the official representative of the Livestock Board in all the Board's official contacts with the Governor's office and other agencies of the executive branch.

3. That the functions currently being performed by the Dairy & Egg Division within the present Department of Agriculture be transferred to the proposed Department of Livestock. The Division's funding should be transferred to the Department of Livestock as well.

4. That the statutes creating the Advisory Committee on Predatory Animal Control, the Wool Laboratory Advisory Committee, and the Agriculture & Livestock Council be repealed and that in the future all advisory and/or study councils be appointed by and at the discretion of the Livestock Board to a specified term. Further, that a certified letter of appointments to such councils be filed with the Governor and the Secretary of State, as a precondition to the effectiveness of the appointments. Finally, it is suggested that there be a uniform limit to the number of years any advisory and/or study councils may serve, with provisions for re-appointment if deemed necessary by the Governor.